



# ***Daily Report***

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## **China**

FBIS-CHI-93-112  
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14 June 1993

# Daily Report

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FBIS-CHI-93-112

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14 June 1993

**NOTICE TO READERS:** An \* indicates material not disseminated in electronic form.

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## General

### Ministry Spokesman on Illegal Emigration

OW1206135893 Beijing XINHUA in English 1350  
GMT 12 Jun 93

[Text] Beijing, June 12 (XINHUA)—A Chinese Foreign Ministry spokesman said here today that China has always been opposed to illegal emigration and has taken a series of measures to curb it.

Asked to explain how and why some Chinese citizens emigrated to foreign countries through smuggling as reported in the Western press, the spokesman admitted that there have been such cases and the causes are many-sided.

These people used to live a stable life in their homeland and some even had been better-off, the spokesman said. As China is having more contacts with the outside world, however, these people began to have different ideas. Some wanted to see the outside world while others thought they could make a fortune abroad.

The fact that some foreign employers hired them and some countries spread "freedom of immigration" constitutes a big temptation, said the spokesman.

Moreover, he said, international criminal organizations, seeking exorbitant profits and working in collusion with criminals in China, have been smuggling some Chinese abroad by taking the advantage of the latter's weakness.

Asked to describe the conditions of these illegal emigrants abroad, the spokesman said that they had paid large sums of money to the smugglers and many of them had to live on debt. "In fact they are law violators as well as victims," said the spokesman. Once they were abroad they found that it was not easy to make a living. A few of them therefore were forced to do disgraceful things or even committed crimes, he said.

"The Chinese Government has always been opposed to illegal emigration and has taken a series of measures to curb it," the spokesman said.

The relevant departments have strengthened the checking of documents of the Chinese citizens leaving the country at border posts while public security departments have stepped up their efforts to crack down on organized smuggling activities by strengthening investigation and patrol on the sea. Governments at different levels, especially those in the coastal areas, have strengthened education of citizens on law.

The spokesman pointed out that criminal smuggling groups have their bases in foreign countries. "So the countries concerned should work together in curbing and cracking down on the smuggling of illegal emigrants," the spokesman said.

## Reportage on U.S.-DPRK Nuclear Talks

### DPRK Reverses NPT Stance

OW1206005993 Beijing XINHUA in English 2159  
GMT 11 Jun 93

[Text] United Nations, June 11 (XINHUA)—The delegation of the Democratic People's Republic of Korea (DPRK) attending the DPRK-U.S. negotiations on nuclear issue in New York announced here today that it would suspend the effectuation of its withdrawal from the Nuclear Non-Proliferation Treaty (NPT), which would become effective on June 12.

In a joint statement issued this afternoon, the delegations of the DPRK and the United States said that they would continue their negotiations on the nuclear issue and other issues in the days ahead.

This is the third round of such talks since the issue arose early this year. The first two rounds took place on June 2 and 4.

### ROK Welcomes DPRK Move

OW1206063893 Beijing XINHUA in English 0328  
GMT 12 Jun 93

[Text] Seoul, June 12 (XINHUA)—South Korea said Saturday [12 June] that it welcomed a decision of the Democratic People's Republic of Korea (DPRK) to suspend the effectuation of its withdrawal from the Nuclear Non-Proliferation Treaty (NPT).

The DPRK and the United States reached an agreement in their fourth round of high-level talks in New York Friday that Pyongyang will suspend its decision to leave the NPT.

"We positively evaluate North Korea's decision to suspend the effectuation of its withdrawal from the NPT and seek a solution to the nuclear issue through diplomatic efforts," the South Korean Foreign Ministry said in a statement.

However, the statement noted, South Korea wants to emphasize again that the DPRK, as a signatory nation to the NPT, "Must faithfully comply with the International Atomic Energy Agency (IAEA) safeguards accord and at the same time actively work toward inter-Korean simultaneous nuclear inspections in order to fully resolve the nuclear problem."

South Korea hopes that the DPRK will remove international community suspicion on its nuclear program and contribute to peace and security on the Korean peninsula and in the world as a whole, the statement added.

The DPRK announced on March 12 that it was quitting the NPT rather than open two military sites to inspection by the IAEA. If the decision was not reversed, the DPRK's departure from the NPT would take effect on June 12.

Pyongyang's decision to leave the NPT heightened suspicion in South Korea and among its allies that the DPRK has either succeeded in building nuclear weapons or is on the verge of doing so. The DPRK has denied the charge.

The U.N. Security Council adopted a resolution on May 11, calling on the DPRK to allow outside inspections of its nuclear facilities and reconsider its decision to withdraw from the NPT.

#### Further on DPRK Announcement

OW1206065793 Beijing XINHUA in English 0536 GMT 12 Jun 93

[Text] New York, June 11 (XINHUA)—The Government of the Democratic People's Republic of Korea (DPRK) today decided "to suspend as long as it considers necessary the effectuation of its withdrawal from the Treaty on the Non-Proliferation of Nuclear Weapons."

The announcement came in a joint statement by DPRK and the United States after the fourth round of talks between the two countries on the nuclear issue on the Korean peninsula, which ended at the U.S. mission to the United Nations here today.

The statement said the two governments agreed to continue dialogue "on an equal and unprejudiced basis."

The two countries also agreed to three principles:

- Assurances against the threat and use of force, including nuclear weapons;
- Peace and security in a nuclear-free Korean peninsula, including impartial application of full-scope safeguards, mutual respect for each other's sovereignty, and non-interference in each other's internal affairs; and
- Support for the peaceful reunification of Korea.

According to the statement, the two sides discussed policy matters with a view to a fundamental solution of the nuclear issue on the Korean peninsula.

Both sides supported the North-South joint declaration on the denuclearization of the Korean peninsula in the interest of nuclear non-proliferation goals.

DPRK First Vice Foreign Minister Kang Sok-chu and U.S. Assistant Secretary of State for Political-Military Affairs Robert Gallucci represented their respective governments at the talks, held on June 2, 3, 10 and 11.

Kang told reporters after today's talks that "the agreement is a historical one and a turning point in our bilateral relations. It's the first ever document adopted between our two nations."

On the nuclear inspection of DPRK by the International Atomic Energy Agency (IAEA), Kang said that "much depends on the impartiality of IAEA."

Reacting to U.S.-South Korean joint military exercises "Team Spirit" and IAEA's "unwarranted demand" for inspection of several military facilities in DPRK, the DPRK Government announced on March 12 to withdraw from the Nuclear Non-Proliferation Treaty, which would have become effective tomorrow.

Gallucci told reporters that his country expected DPRK to "avoid any actions which will jeopardize international efforts to resolve the nuclear issue."

He described DPRK's new decision as "a very good step in the right direction."

"In seeking an early solution of this issue, we are committed to continuing these efforts only so long as they are productive," he added.

#### U.S.-DPRK Joint Statement

SK1206232093 Beijing China Radio International in Korean 1100 GMT 12 Jun 93

[Text] Korea and the United States issued a joint statement in New York on the afternoon of 11 June. The two sides, in the statement, announced that they have reached an agreement that Korea will not withdraw from the Nuclear Nonproliferation Treaty [NPT] for some time [chamsi]. The two sides also agreed to continue dialogue on the nuclear issue on an equal basis, the joint statement said.

The joint statement was issued after the four rounds of talks for the solution of the nuclear issue of the Korean peninsula held in New York from 2 to 11 June between the U.S. Government delegation led by Gallucci, U.S. assistant secretary of state, and the Korean Government delegation led by Kang Sok-chu, first vice foreign minister.

The joint statement notes the following:

Korea and the United States have agreed on three principles:

First, the two sides oppose the use of force, including nuclear weapons, and the threat of armed force.

Second, the two sides should execute the safeguards accord [anjon hyobui] precisely, respect each other's sovereignty, and not interfere in each other's internal affairs to secure peace and security on the Korean peninsula free from nuclear weapons.

Third, the two sides support the peaceful reunification of Korea.

Following the issuance of the joint statement, Kang Sok-chu, first vice foreign minister of Korea, and Gallucci, U.S. assistant secretary of state, each held a news conference. In the news conference, First Vice Foreign

Minister Kang Sok-chu said that the joint statement came from the first discussion held between Korea and the United States and that, therefore, this had a historic significance. He then added that it marks a turning point in the history of relations between the two countries. He went on to say that what matters in the solution of the problem of the Korean peninsula is whether the International Atomic Energy Agency will execute the safeguards accord [anjon hyobui] fairly.

Assistant Secretary of State Gallucci told the reporters that the joint statement shows that the Korean peninsula has made a positive step forward on the way to denuclearization. He said that the United States hopes to negotiate with Korea continuously to resolve the nuclear issue of the Korean peninsula and that Korea will accept the IAEA nuclear inspections of Korea. He then added that the United States hopes that the political and economic relations between the United States and Korea will improve through the resolving of the nuclear issue.

#### **Spokesman Welcomes U.S.-DPRK 'Progress'**

OW1206095993 Beijing XINHUA in English 0944  
GMT 12 Jun 93

[Text] Beijing, June 12 (XINHUA)—A Foreign Ministry spokesman said here today that the Chinese Government welcomes the "preliminary progress" made in the talks between the Democratic People's Republic of Korea (DPRK) and the United States on the nuclear issue of the Korean peninsula.

China also "appreciates the efforts the two sides have made thus far", said the spokesman, when asked to comment on the joint statement of the U.S. and DPRK on June 11.

He noted that the realization of denuclearization of the Korean peninsula and the improvement of U.S.-DPRK relations serve to maintain peace and stability on the Korean peninsula and in northeast Asia and contribute to the universality of the Nuclear Non-Proliferation Treaty (NPT). It will also help promote the process of peaceful reunification on the Korean peninsula, he said.

It is China's consistent position that the nuclear issue of the Korean peninsula should be solved properly through dialogue, consultation and negotiation on an equal footing, among the parties directly concerned and this is the only effective way to solve the dispute and get an appropriate settlement of the relevant issues, he said.

"It is hoped that the U.S. and the DPRK will take this as a start and continue their negotiation with a flexible, pragmatic and constructive approach so as to achieve further positive results," he said.

China will, as always, continue working to promote the realization of the denuclearization of the Korean peninsula and maintain peace and stability there, the spokesman concluded.

#### **Daily Criticizes U.S. on Human Rights**

OW1306063093 Beijing XINHUA in English 0616  
GMT 13 Jun 93

[Text] Beijing, June 13 (XINHUA)—Today's "PEOPLE'S DAILY" [RENMIN RIBAO] carried a signed article entitled "On Sovereignty and Human Rights," which criticizes a few countries that combine the issue of human rights with their own basic national policy, concept of value, political formula and world strategy to pursue "diplomacy of human rights", or hegemonism and power politics.

The article says that human rights are lofty aspirations of the people of all countries. It goes on to say that human rights and sovereignty are mutually-complementary concepts originating from the emergence of the modern state. At the beginning, western capitalist countries advocated for both sovereignty and human rights. Human rights primarily referred to civil and political rights at the early stage of capitalism, and they have come to cover more diversified economic, social and cultural rights later, says the article written by Liu Wenzong.

Despite the role played by the United Nations and some regional human rights groups, realization of human rights is ultimately guaranteed by individual countries, with their respective constitutions and laws, the article says. The so-called international protection of human rights should in no way mean that there should be an organ of power which, overriding individual states, can impose undue obligations upon them.

However important, human rights can only be in a subordinate position, in comparison with sovereignty, which refers to a country's independence in foreign affairs and execution of supreme power in domestic administration, as defined by the international law, the article says.

Respect for state sovereignty and non-interference of internal affairs represent acknowledged norms of the international law. Therefore, negation of the principle of sovereignty means negation of the cornerstone of modern international law. Without sovereign states, there will be no international law, to speak nothing of international protection and domestic implementation of human rights, the article says.

Any practice of forming a power or organ above individual states will jeopardize the groundwork of modern international law and eventually lead to disintegration of the international community, the article warns.

The article goes on to cite four reasons why human rights are within the jurisdiction of an individual country:

1) Domestically, realization of human rights is made possible only with the constitution, legislation and other relevant measures of an individual country; internationally, this is achieved through the conclusion of international conventions and the commitment by relevant

nations. A country may not join, or join only with reservations, conventions on human rights, which may not be in keeping with its political system and level of social and economic development, so as not to undertake obligations detrimental to state sovereignty. In this regard, the article points out that the United States does not unconditionally accept all the international conventions on human rights, and this shows that it puts sovereignty above human rights.

2) The current international convention on human rights places state sovereignty in a priority position.

3) In case of violations of human rights, compensation depends on the guarantee by domestic laws.

4) Criminals who break human rights of others are primarily punished through the implementation of domestic laws.

The only practical way for international protection of human rights lies in participation of international conventions, the article says, calling on all countries to safeguard and promote human rights within the framework of the United Nations, rather than leaving it all to a handful of countries, who seek to impose their own political system, mode of economy, and values upon others.

In particular, the article says, it is totally unacceptable to judge the human rights situation in other countries with one's own standards, or to link foreign aid, economic and technological cooperation and most-favored trading status, with human rights.

Also, the article devotes much space to cases of human rights violations in the United States, "a loud-speaker" of human rights, which nevertheless keeps its mouth tight on its own human rights problems. Those include crackdown on the Communist Party and the labor movement, followed by investigation among public servants over their loyalty, in addition to the earlier genocide of aboriginals of America, racial segregation and religious discrimination, which run throughout the U.S. history.

#### **'Positive Contributions' to Human Rights Noted**

*HK1106131993 Beijing RENMIN RIBAO in Chinese  
10 June 93 p 5*

[Article by Shan Chu (1472 2806): "China's Contributions to the International Community's Activities for Protecting and Promoting Human Rights"]

[Text] China favors and supports the purpose of the "United Nations Charter" in promoting and protecting human rights and has made positive contributions to the fulfillment of this purpose.

In 1979 China began to send observers to attend UN Human Rights Commission meetings. At the first standing committee meeting of the UN Economic and Social Council in 1981, China was elected a member of the council. Since then China has remained a member of

the council through reelections. Since 1984 human rights experts the Chinese Government recommended to the Human Rights Commission have been reelected members and alternate members of the "Subcommission on Prevention of Discrimination and Protection of Minorities" affiliated with the Human Rights Commission, and China was a member of this subcommission's "Work Group on Native Residents" and "Incoming Documents [lai wen 0171 2429] Work Group." China took an active part in the examination of proposals on human rights at the UN General Assembly and the Economic and Social Council.

In the course of joining the above UN activities, China has safeguarded, developed, and enriched the concept and theory of human rights; taken an active part in the drafting and formulation of UN documents on human rights; acceded to eight important international human rights conventions; worked hard to prevent large-scale, brutal violations of human rights; resisted hegemonism in the human rights field; and initiated normal international cooperation. In the international community's efforts to protect and promote human rights, China has made important contributions, which have won a positive response from a large number of developing nations.

#### **I. Safeguarding, Developing, and Enriching the Concept and Theory of Human Rights**

Human rights are an entity comprising civil, political, economic, social, and cultural rights, as well as self-determination, development, and individual and collective rights. In sharp contrast to some countries' practice of one-sidedly stressing traditional civilian and political rights, neglecting economic, social, and cultural rights, negating development rights, and distorting self-determination rights, China has persisted in the completeness of the human rights concept and in the developing nature of the human rights theory.

China always maintains that civilian and political rights as well as economic, social, and cultural rights are complementary to each other and are inseparable from each other. One-sidedly stressing individual civilian and political rights is not beneficial to the general realization of various human rights and basic freedom. We propose that the UN human rights organization pay equal attention to these two kinds of basic human rights in its activities.

An undeveloped economy, as well as poverty and starvation resulting from it, are the main obstacles to developing countries' people in realizing human rights. When developing countries proposed a development concept for the first time at the United Nations in the late 1970's, China immediately responded to it, sent representatives to participate in the expert groups of all previous governments which had started drafting the "Declaration of Development Rights" in 1981 at the Human Rights Commission, and enabled the 41st UN General

Assembly in 1986 to ratify the "Declaration of Development Rights." China is of the opinion that the responsibility of the international community in realizing development rights is to create a peaceful international political environment and to establish a new, fair, and rational international economic order.

The proposition for national self-determination rights and the worldwide realization of these rights constitute a brilliant chapter in UN history. China has worked hard to uphold national self-determination rights and protect these rights from being distorted. China actively supports the struggle for self-determination rights of countries and people subjected to colonial rule and foreign aggression and occupation. China supports the people of all countries in safeguarding their state sovereignty, territorial integrity, and political independence, and in determining their own political and economic systems and development road in light of their actual conditions without foreign interference or pressure. At UN meetings on human rights, Chinese representatives strongly refuted fallacies such as "self-determination is outmoded" and "internal self-determination rights," and conducted resolute struggles against wrong practices such as distorting the theory of self-determination and instigating national separation and hatred.

"The White Paper on Human Rights in China," published by the Information Office of the State Council of China on 1 November 1991, formally put forward, for the first time, the new human rights concept of the right to subsistence. It says: "For a country and a nationality, human rights means, before all else, the right to subsistence for the people. Without the right to subsistence, there is no other human right to speak of." To solve the issue of the right to subsistence, the first step is to seek and defend the country's right to independence and, on the basis of this, to develop the economy and let the people enjoy basic safeguards of livelihood. The setting forth of the notion of the right to subsistence has struck a sympathetic chord among other developing countries.

## **II. Participating in the Drafting of International Human Rights Documents and Joining Eight Important International Human Rights Conventions**

Beginning 1981, China sent delegates to join the task forces drafting a series of international human rights documents. These task forces were involved in the drafting of "The Declaration of the Right to Development," "The Convention on the Rights of the Child," "The International Convention on the Protection of the Rights of All Migrant Workers and Their Families," "The Convention on the Prohibition of Savage Torture or Other Cruel, Inhuman, or Humiliating Treatment or Punishment," "The Declaration of the Rights and Obligations of Individuals, Groups, or Social Institutions in Promoting and Protecting Universally Acknowledged Human Rights and Basic Freedom," "The Declaration on the Protection of the Rights of Those Who Belong to a Minority in Terms of Nationality or Race, Language, and Religion," and "The Declaration on the Protection

of Everybody From Forced or Involuntary Disappearance." At the meetings of these task forces, the opinions and amendments put forward by China were given due attention by various parties and many of them were adopted by relevant international human rights documents.

So far, China has joined eight international human rights conventions: "The Convention on the Prevention of Discrimination and Punishment of the Crime of Genocide," "The Convention Relating to the Status of Refugees," "The Agreement on the Status of Refugees," "The International Convention on the Elimination of All Forms of Racial Discrimination," "The International Convention on the Prohibition and Punishment of the Crime of Racial Segregation," "The Convention on the Elimination of All Forms of Discrimination Against Women," "The Convention on the Prohibition of Savage Torture or Other Cruel, Inhuman, or Humiliating Treatment or Punishment," and "The Convention on the Rights of the Child." China has always conscientiously fulfilled its obligations required by the human rights conventions it is party to, submitted reports on the implementation of the conventions according to stipulations, and cooperated in great earnest with the institutions supervising the execution of treaties. Experts recommended by China were elected members of the "Committee for Eliminating Racial Discrimination" and "Committee for Eliminating Discrimination Against Women." Chinese members have made their contributions to helping member states of the conventions to fulfill the obligations in the conventions.

## **III. Discouraging Acts of Large-Scale, Gross Infringement on Human Rights**

Racial segregation, all forms of racial discrimination, colonialism, foreign rule, and foreign occupation and aggression are generally acknowledged as international crimes and constitute an infringement on the right to self-determination. The large-scale, gross infringement on human rights so caused is often of extensive duration and brings enormous sufferings to the countries and peoples concerned. According to Resolution 32/130 of the UN General Assembly, the UN Human Rights Organization should give priority to studying and discussing this phenomenon of large-scale, gross infringement on human rights.

China has always been an antagonist of racial segregation and all forms of racial discrimination policy. Under the subject of the Human Rights Commission's deliberating on the issue of apartheid in South Africa, China condemns the system of apartheid of the South African authorities and their discrimination against and persecution of the broad masses of black people; it supports the people in southern Africa in their just struggle against racial segregation; it participates in the joint sponsoring of relevant resolutions; and it makes yearly contributions to the UN South Africa Trust Fund. China highly appraises and supports the campaign of "10 Years of Combating Racism and Racial Discrimination" and that

of the "Second 10 Years of Combating Racism and Racial Discrimination" organized and launched by the United Nations with the belief that these activities are of great benefit to accomplishing the goal of eliminating all forms of racial discrimination.

China has always supported people of all countries in their struggles against foreign aggression and occupation. In 1982, the Chinese delegation attended the UN Human Rights Commission meeting for the first time. At the meeting, the Chinese delegation delivered a speech in support of the Palestinian people, who were demanding that they be allowed to return to their homeland and set up their own country, and in support of the Arab countries and people, who were then waging a struggle demanding that Israel return all the Arab territories it had occupied. China also supported the UN Human Rights Commission in voicing concern over the human rights violations in Palestine and the occupied Arab territories and joined other countries in putting forward motions on the relevant issues. At the 48th UN Human Rights Conference held in 1992, some countries that had offered support to the Palestinian people's struggle suddenly shifted their position. However, as insisted on by China and some other countries, the conference still adopted, with an overwhelming majority, a resolution condemning Israel's aggression and human rights violation acts. China also gave resolute support to the Afghan people, the Cambodian people, as well as other peoples in their just struggles against foreign aggression, occupation, and rule. China voted for a UN decision to discuss large-scale human rights violations in countries still under foreign aggression and occupation and held that all foreign troops should withdraw from the countries concerned and that people of the countries concerned should be allowed to determine their own destiny freely and in the absence of foreign intervention. China also voted for all relevant UN resolutions to this end.

China's positions on upholding justice and efforts aimed at putting an end to large-scale brutal human rights violations resulting from racial segregation, racial discrimination of all types, as well as foreign aggression and occupation have been unanimously praised by the vast number of developing countries.

#### **IV. Resist Hegemonism in Human Rights Field and Advocate Normal International Cooperation**

For many years, the UN human rights organization remained an arena where different political groups and ideologies carried out a "cold war" against each other. There were also countless cases in which the organization adopted dual criteria and selectively and pragmatically emphasized the human rights issue with an eye to interfering in the internal affairs of other countries. As a result, there existed a hostile atmosphere within the organization. After the "cold war" was over, instead of renouncing their past erroneous practices, some countries stepped up their efforts to promote their own political system and values by using human rights as a

pretext. They wantonly attacked both countries whose social system is different from theirs and developing countries which are unwilling to follow their orders. They willfully interfered in the internal affairs of these countries with the result that there has been confrontation between North and South in the human rights field. China has persistently urged all countries to carry out exchange and cooperation on an equal footing and to avoid mutual accusation and attack in taking part in UN human rights organization activities and to act in accordance with the "UN Charter," which calls for "promoting international cooperation to settle international issues in the economic, social, cultural, and human welfare fields and enhancing and arousing respect for human rights and basic freedom of the whole mankind irrespective of race, sex, language, or religion." China has also joined other developing countries in resolutely opposing such practices of hegemonism and power politics as those aimed at forcing other countries to accept one's own political system and values and punishing other countries on the pretext of human rights violations. At all previous Human Rights Commission meetings, the Chinese delegation spoke out from a sense of justice, upheld justice for those developing countries vulnerable to punishment, and voted against motions obviously intended to punish developing countries on the pretext of human rights violation.

In recent years, some western countries have three times offered motions slandering China's human rights record. The Chinese delegation adhered to principle and carried out a tit-for-tat struggle in face of such challenges. Thanks to the support of countries standing for justice, China has repeatedly foiled anti-Chinese schemes designed by the western countries and safeguarded its own sovereignty and dignity. As the World Human Rights Conference is scheduled to be held in the Austrian capital Vienna in June this year, China deems it absolutely necessary to review, at a time when the 45th anniversary of the promulgation of "The Universal Declaration of Human Rights" is to be observed, both experiences and lessons of the international community in safeguarding and promoting human rights so that correct guiding principles will be worked out for the work in future. China has actively taken part in the preparatory work and contributed to the convocation of the conference.

#### **Cuban Foreign Minister Discusses Human Rights**

*OW1306143393 Beijing XINHUA in English 1415 GMT 13 Jun 93*

[Text] Vienna, June 13 (XINHUA)—Cuban Foreign Minister Roberto Robaina Gonzalez said here this afternoon that the right to subsistence and the right to development are the fundamental human rights.

In an exclusive interview with XINHUA, the Cuban minister said that in the world today millions of people

are suffering from hunger, millions of people are homeless and "millions of people are unable to spell the word human-rights."

For these people, he said, they should first have the right to eat, the right to study and the right to live.

"It is absolutely right that the right to subsistence and the right to development are the most important human rights for people in the developing countries," he said.

However, the minister said, the West countries are attacking the developing countries in the fields of human rights without seeing the fact that the developing countries have made great progress in feeding and housing their own people.

On the relationship between human rights and internal affairs of nations, Gonzalez said that each country has its own problems and these problems should be solved by its own people.

But, he said, while the West countries are attacking the developing countries in the field of human rights, they never mention their own problems such as hunger, drug abuse, unemployment, etc. in their own countries.

Talking about the gaps between the rich North and the poor South, Gonzalez said that because of the unreasonable economic order "we poor are becoming poorer while the rich are becoming richer." The economic gaps have affected the developing countries and "this is unjust," he said. The economic gaps between the North and the South have become the major obstacle to the implement of the right to development, Gonzalez said.

#### Envoy Discusses UN Aims, Taiwan's Bid

OW1406051293 Beijing XINHUA Domestic Service in Chinese 0834 GMT 11 Jun 93

[By reporter Liu Qizhong (0491 0366 0022)]

[Text] United Nations, 10 Jun (XINHUA)—During an interview with reporters from New York's QIAO BAO [0294 1032] on 10 June, Li Zhaoxing, China's permanent representative to the United Nations, said: China supports the UN role in preserving peace and promoting development in accordance with the aims and principles of the "Charter of the United Nations."

Li Zhaoxing said: To establish a new international order that is peaceful, stable, just, and rational, countries in the world should abide by the principles of mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. He said: "These principles are consistent with the aims and principles of the UN Charter. As an intergovernmental international organization comprising sovereign states, the United Nations should try its utmost to ensure that its actions and views will run parallel with these principles."

Concerning China's role in the UN Security Council, Li Zhaoxing said: China has always adhered to and abided by the aims and principles of the UN Charter in the UN Security Council. It upholds justice, adheres to the principle of respecting state sovereignty, actively promotes the peaceful resolution of international disputes, opposes the use or threat of force, and plays a constructive role in preserving world peace and stability and in promoting the fair and rational resolution of regional conflicts and other major international issues.

Referring to the proposal for "rejoining the United Nations" put forward by some people on Taiwan, Li Zhaoxing said emphatically: "The issue of Taiwan's rejoining the United Nations does not exist." He said: "In 1971, the UN General Assembly adopted a resolution to expel the Taiwan authorities, and it reinstated the PRC's legitimate seat in the United Nations. This is an historical conclusion."

#### Group Supports Ban on Dalai Lama at UN Forum

OW1206153893 Beijing XINHUA in English 1508 GMT 12 Jun 93

[Text] Vienna, June 12 (XINHUA)—The China Society for Human Rights studies, a non-governmental organization, today expressed its support here for the U.N. decision to ban the Dalai Lama's participation in next week's world human rights conference.

In a letter to U.N. Secretary General Butrus Butrus-Ghali and conference Secretary General Ibrahima Fall, the Chinese organization said, "to China, the Dalai Lama is not only a religious figure, but also an exiled political figure who is engaged in splitting China."

The United Nations has decided recently not to invite the Dalai Lama to attend the opening ceremony of the world human rights conference starting on Monday [14 June].

"It's all too obvious to the Chinese people that for years the Dalai Lama has been targeting at disintegrating China and sabotaging the unity of the Chinese people," it said.

The organization said that the Dalai Lama has done a lot to split the motherland and to advocate "Tibetan independence."

If the Dalai Lama was invited to the world conference on human rights, it said, a solemn occasion of the United Nations, and is permitted to instigate separation of a member state of the U.N., it will be a brutal violation of the U.N. Charter and a serious interference in the internal affairs of China as well as a great harm to the feelings of the Chinese people.

"This will certainly run against the aims of the world conference on human rights, seriously sabotage the event at the very beginning and create a dangerous precedent

to violate the sovereignty of a U.N. member state and instigate the ethnic confrontation between various nationalities," it said.

During the Dalai Lama's rule of China's Tibet, he imposed the most cruel serfdom in the region and there were records of most serious violations of human rights in the region, it said.

If the Dalai Lama was invited to the opening ceremony of the conference, "it would be detrimental to the objectives of the conference," it said.

#### **U.S. Unwilling To Revise Pact With Russia**

*OW1206064193 Beijing XINHUA in English 0253  
GMT 12 Jun 93*

[Text] Washington, June 11 (XINHUA)—The United States is ready to discuss Russia's concern on the security along its southern border but would not renegotiate an accord on European conventional forces, the State Department said here today.

"U.S. authorities have told the Russians that we are ready to discuss their regional security concerns within the framework of the current treaty," said State Department spokesman Joe Snyder.

Moscow wishes to revise the Conventional Forces in Europe (CFC) [as received] Treaty to put more troops along its southern border, THE NEW YORK TIMES Friday [11 June] quoted Russian Defense Minister Pavel Grachev as telling his U.S. counterpart Les Aspin at a meeting in Germany this week.

The request stemmed from Russia's concerns over the instability along its southern frontier, said the paper.

However, the United States is unwilling to reopen talks on the pact signed some two years ago, fearing that such a move could lead to a "general unraveling" of the treaty.

"Both the U.S. and its allies have made clear that it is in no one's interest to reopen the CFC Treaty," Snyder said.

The 1990 treaty, which will go into effect in 1995, sets limits on the number of tanks, artillery pieces and armored personnel carriers on the northeastern and southeastern flanks of Europe.

Under the treaty, Russia can have no more than 700 tanks, 1,280 artillery pieces and 580 armored personnel carriers in active units in both the northern and southern flank areas.

The limits were set at the urgings of Norway and Turkey.

However, the Russians say the force levels in the south are no longer adequate in face of such conflicts as those in Nagorno-Karabakh and Moldova.

#### **Clinton Remarks on Somalia Reported**

*OW1306110793 Beijing XINHUA in English 1042  
GMT 13 Jun 93*

[Text] Nairobi, June 13 (XINHUA)—Nine Somalis were said to have been killed in a second night attack on Saturday [12 June] by American-led United Nations forces on targets linked to Somali faction leader Mohamed Farah Aidid in capital Mogadishu, according to a report reaching here today.

American aircrafts attacked on an area controlled by Aidid. Witnesses said explosions were heard near the area under the control of Aidid's forces. A garage of a compound belonging to the faction was hit and the area has been cordoned off by followers of Aidid.

On Friday night and during the day time on Saturday, the U.N. forces in Somalia bombed weapons stores and a radio station, rounded up gunmen and opened fire on a protest demonstration, killing a Somali.

Meanwhile, U.S. President Bill Clinton has said the U.S. and the U.N. can no longer put up with disregard of the inter-national will which is in existence in Somalia.

The latest U.N. action in Somali came after 23 Pakistani U.N. troops were killed in an ambush allegedly launched by Aidid's forces in Mogadishu on June 5.

#### **Walter Mondale Nominated Ambassador to Japan**

*OW1106153693 Beijing XINHUA in English 1509  
GMT 11 Jun 93*

[Text] Washington, June 11 (XINHUA)—President Bill Clinton today named former Vice-President Walter Mondale as United States ambassador to Japan.

Mondale's appointment is widely viewed here as a way of easing the current tension between the two countries over trade issues. The Clinton administration has unveiled a broad and get-tough agenda for trade talks between the two countries.

Mondale served as vice-president under former President Jimmy Carter between January 1977 and January 1981.

#### **First Day of U.S.-Japan Trade Talks 'Useful'**

*OW1206025993 Beijing XINHUA in English 0212  
GMT 12 Jun 93*

[Text] Washington, June 11 (XINHUA)—The first day of the two-day trade talks between the American and Japanese officials were described here today as "useful and productive".

The talks, beginning here this morning, are widely expected to address the chronic trade problem between the two richest nations in the world.

With the United States' trade deficit with Japan standing at 49.6 billion U.S. dollars, officials of the Clinton

administration have been urging Tokyo to open its markets to foreign products, especially U.S. computers and cars.

The 10-hour talk today was "a useful meeting and we have no reason to believe we can't achieve a useful agreement," a U.S. official who declined to be named told the press.

The talks started after President Clinton named former Vice President Walter Mondale as his nominee for the post of ambassador to Japan, a decision positively assessed.

Clinton said he believed the new ground rules guiding the U.S.-Japan trade, meaning the numerical targets put forward by Washington earlier, would "get our economic problems out of the headlines".

Since taking office this January, the Clinton administration has adopted a tougher stance towards reducing the country's trade deficit with Japan, which amounts to almost two-thirds of the total U.S. trade deficit.

On the eve of the talks, the leaders of the U.S. big three automakers sent a signed letter to President Clinton, urging the White House to take a "bold approach" towards solving its trade problems with Tokyo.

Clinton is scheduled to meet with Japanese Prime Minister Kiichi Miyazawa next month in Tokyo at the annual economic summit of the Group of Seven industrialized nations.

Earlier, the Clinton administration circulated the idea that it had set numerical targets in trading with Japan: Asking Japan to cut its trade surplus by half and to increase its imports by one-third.

Japan's current import of manufactured goods equals about three percent of its gross domestic product.

In his talks with President Clinton in April, Japanese Prime Minister Kiichi Miyazawa said that his country did not want any specific targets in its trade with the United States.

#### **PRC Joins International Expositions Bureau**

*OW1206094993 Beijing XINHUA in English 0917  
GMT 12 Jun 93*

[Text] Paris, June 11 (XINHUA)—The International Bureau of Expositions officially accepted China and Thailand as its members at its 113rd conference held in Paris Friday [11 June].

The bureau's chairman Ted Allan announced at the meeting that China and Thailand had become the 44th and 45th members of the organization.

He said that the enlargement of the organization was a great event for the bureau in its international relations. He hoped that China would play a greater role in

promoting world trade, economic cooperation and cultural and technological exchanges.

The bureau has made great contributions to the cause of human progress since its first world fair in 1851.

China, which has participated in eight of the world fairs registered with the bureau, applied in May for membership which would enable it to hold world fairs.

Liu Fugui, vice-chairman of the China Council for the Promotion of International Trade, said at the meeting that China would enhance its cooperation with other member nations in the promotion of the world fairs.

He said China hopes to host a world fair within this century.

#### **Pan-Pacific Conference Ends in Beijing**

*OW1206143093 Beijing XINHUA in English 1409  
GMT 12 Jun 93*

[Text] Beijing, June 12 (XINHUA)—The Tenth Pan-Pacific Conference on Economic and Technological Exchange ended here today.

At the three-day meeting, jointly organized by China's State Commission of Science and Technology, the Ministry of Foreign Trade and Economic Cooperation and the U.S. Pan-Pacific Business Association, about 400 economists and businessmen from China, the United States, Japan, Canada, the Republic of Korea, Singapore and Hong Kong exchanged their views on China's economic and technological development and the economic cooperation of Pacific region.

Addressing the closing session, Zhu Lilan, vice-minister of the State Commission of Science and Technology, said that there appeared to be a good trend of cooperation in the pan-Pacific region. "As the biggest developing country in the region, China will make every effort in promoting the region's economic and technological cooperation," she said.

Most of the delegates to the meeting agreed that pan-Pacific, particularly the Asian-Pacific region is the most economically active region in the world. Significant progress has already been made in economic, trade, scientific and technological cooperation and exchanges. Many countries and regions of the region have become important economic and trade partners.

#### **United States & Canada**

##### **'Special Feature' on Illegal Emigration to U.S.**

*HK1106144493 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1247 GMT 8 Jun 93*

["Special Feature" by reporter Hong Wen (3126 2429): "International Criminal Gangs Are Connected With Recent Rush of Chinese Illegal Immigrants Into U.S."]

[Text] Hong Kong, 8 Jun (ZHONGGUO XINWEN SHE)—The recurrent smuggling of illegal immigrants from the Chinese mainland to the United States by boat in recent years has caused concern both in China and in the United States. The other day in New York, the cargo ship "Golden Venture" went aground, and over 100 illegal immigrants jumped into the sea, leading to the tragedy of eight deaths and dozens of injuries. This incident caused a sensation, and one or two media agencies directed their attacks against Fujian, which is believed to be the source of illegal immigrants, and the Fujian Provincials Association in the United States. But is this the truth?

Liu Wen-shan [0491 2429 0810], chairman of the New York-based East American Fujian Provincials Association and a Fujian provincial government figure, pointed out: The rampant illegal immigration involves many complicated factors. The main organizers are connected to a number of international illegal syndicates, including smugglers of human cargo in such places as Hong Kong and Taiwan. The complexity of the situation makes it necessary to seek cooperation from the relevant governments abroad. The illegal immigration rush cannot be effectively curtailed without joint efforts in carrying out the crackdown.

Liu Wen-shan, who recently won the title of New York State's first "Asian of the Year," said: Some media have continued to relay erroneous messages lately, associating illegal immigration with so-called, nonexistent "Fuching [4395 7230] Mafia" and even alleged, as if it were true, that the Fujian Provincials Association was the "base camp" of the illegal immigration syndicate. He solemnly pointed out that as early as last October and last March, the New York City Government and the New York State Supreme Court announced that the East American Fujian Provincials Association had not been involved in any illegal activities. He himself held a news conference to clarify the issue, saying that the allegation that the illegal immigrants from Fujian had been transported to the United States through the collaboration between human cargo smugglers and local officials is purely a slanderous rumor fabricated out of thin air and that some media adding fuel to the flames are not helpful to the crackdown on human cargo smuggling.

Liu Wen-shan pointed out: The recent cases of human cargo smuggling from the mainland to the United States were illegal activities organized by international human cargo smuggling syndicates. Many innocent Fujian natives who know nothing about actual conditions in the United States are lured and taken in. They risk their lives to board the "pirate ship [zei chuan 6329 5307]." Even if they make it to the United States, they will have to bear heavy debts, be persecuted by human cargo smugglers, and have no right of abode or legitimate right to work. Thus, they become victims whose sufferings are beyond words.

On another front, government sources in Fujian Province pointed out: The authorities have actually been

doing their utmost to prevent people in the province from sneaking out of the country. Control of and patrols along the coast have never been relaxed. However, Fujian has a long coastline and many of those attempting illegal emigration smuggle themselves abroad from such regions as Zhejiang and Guangdong or even go to the United States via Hong Kong. Therefore, carrying out the crackdown in Fujian Province alone is very unlikely to put an end to human cargo smuggling altogether. In fact, through investigation, it has been found that those who were involved in human cargo smuggling in the territory of Fujian are some outlaws doing liaison work or acting as middlemen, while those who supplied transports for smuggling and offered coordination on the other side are a number of overseas illegal syndicates. Therefore, the rush of illegal emigration cannot be effectively stopped without the cooperation from the relevant places and governments abroad.

Besides, according to Schumer, a congressman from a Brooklyn district, New York City, and member of the Immigration Committee of the House of Representatives, illegal immigration from the Chinese Mainland to the United States has increased in recent years. Because former President Bush once issued a presidential administrative decree that the Chinese staying in the United States up to 4 June 1989 may stay on till 1 April 1994, some people want to take advantage of this opportunity to seek residence in the United States. This is also a factor that should not be overlooked.

## Central Eurasia

### Beijing Mayor Visits Russian Deputy Premier

OW1106150293 Beijing XINHUA in English 1446  
GMT 11 Jun 93

[Text] Moscow, June 10 (XINHUA)—Russian Deputy Prime Minister Sergey Shakhrai and visiting Beijing Mayor Li Qiyang today expressed the hope for the further promotion of economic and cultural cooperation between their two capitals.

During his talks with Li Qiyang, Shakhrai said that as a resident of Moscow, he hoped that both cities would further develop goodwill with economic and cultural cooperation.

The Russian Government attached great importance to its relations with China and was very interested in that country's economic reform drive, he said.

Li said that the Beijing Municipal Government greatly valued its cooperation with Moscow in various fields. He hoped that Muscovites would overcome their current difficulties to achieve a stable development.

The top priority for Beijing was to carry on the on-going economic construction in efforts to raise the living standards for its residents, said Mayor Li who arrived here on Monday [7 June] for a visit.

**Heilongjiang Official Receives Russian Group**

SK1306060293 Harbin Heilongjiang People's Radio  
Network in Mandarin 2200 GMT 12 Jun 93

[Text] Sun Kuiwen, vice governor of Heilongjiang Province, received on the morning of 12 June the Khabarovsk city government delegation of Russia, which is paying a visit to our province. The delegation will attend the fourth Harbin border trade and local economic talks.

Khabarovsk city in Russia is our province's close neighbor, and the trade volume between our province and the Russian city has steadily increased over the past few years. The total volume has reached 1.2 billion Swiss francs.

It has been learned that the Russian city is going to establish friendly ties with Harbin by taking advantage of the opportunity to attend the border trade and local economic talks in Harbin.

**Russia Applies for Full GATT Membership**

OW1206012293 Beijing XINHUA in English 1613  
GMT 11 Jun 93

[Text] Moscow, June 11 (XINHUA)—President Boris Yeltsin formally applied today for full Russian membership of the General Agreement on Tariffs and Trade (GATT) when he met the organization's retiring Director-General Arthur Dunkel in the Kremlin.

Russia at present has observer status with the organization.

Dunkel told a press conference later that the council of GATT deputies would discuss the application in a session, due to be held on June 16. He added that as a huge market, Russia would gain great benefit from full membership.

Sergey Glazyev, Russian minister of foreign economic relations, said that membership would speed up Russia's integration in world markets.

**Northeast Asia**

**Tian Jiyun Ends Visit to South Korea**

OW1206031093 Beijing XINHUA in English 0248  
GMT 12 Jun 93

[Text] Seoul, June 12 (XINHUA)—Tian Jiyun, vice-chairman of the Standing Committee of the Chinese National People's Congress (NPC), left here for home Saturday [12 June] morning after his week-long goodwill visit to South Korea.

Tian's visit was the first high-ranking official exchange between the NPC and the South Korean National Assembly since the two countries established diplomatic relations last August.

During his stay here, Tian met South Korean President Kim Yong-sam, Prime Minister Hwang In-song and National Assembly Speaker Yi Man-sop.

He also met with Deputy Speaker of the National Assembly Hwang Nak-chu, ruling Democratic Liberal Party Chairman Kim Chong-pil and leaders of the main economic organizations, and toured some industrial enterprises.

Before his departure, Tian told XINHUA that the aim of his visit is to increase understanding, deepen friendship and promote cooperation between the two countries.

He said that he had exchanged views with South Korean leaders on bilateral relations and matters of mutual concern and reached identical views on many issues. This would further promote the cooperative ties between the two countries in all fields, Tian added.

**Visit Seen as 'Successful'**

OW1206102893 Beijing XINHUA Domestic Service in  
Chinese 0727 GMT 12 Jun 93

[By reporter Tang Shuifu (3282 3055 8099)]

[Text] Seoul, 12 Jun (XINHUA)— This morning Tian Jiyun, vice chairman of the Standing Committee of the National People's Congress (NPC), left Seoul for home after ending a successful one-week goodwill visit to the Republic of Korea.

His visit to the Republic of Korea marked the first high-level and formal contact between China's NPC and the Korean National Assembly since the two countries established diplomatic relations in August 1992.

During the visit, Tian Jiyun met respectively with the Kim Yong-sam, Republic of Korea's president; Hwang In-song, premier; Yi Man-sup, National Assembly speaker; Hwang Nak-chu, vice National Assembly speaker; and Kim Chong-pil, representative member of the ruling Democratic Liberal Party. Tian Jiyun also met with Yi Kyong-sik, Korean vice premier and minister of the Economic Planning Board, Kim Chol-su, minister of trade, industry, and resources, and other responsible persons from large economic organizations. He also visited some enterprises.

Prior to his departure, Tian Jiyun told this reporter that the purposes of his visit to the Republic of Korea had been to further enhance understanding, deepen friendship, and expand cooperation. He had exchanged views in depth with the Korean side on a series of important bilateral matters and issues of common concern, and had reached a broad consensus, which, he said, would further promote the cooperative relationship of the two countries in various fields.

**Beijing Return Reported**

OW1206082193 Beijing XINHUA in English 0753  
GMT 12 Jun 93

[Text] Beijing, June 12 (XINHUA)—Tian Jiyun, vice-chairman of the Standing Committee of China's National People's Congress (NPC), returned here today by plane, after his official good-will visit to the Republic of Korea.

**Beijing Honors Japanese Family Planning Expert**

OW1206114793 Beijing XINHUA in English 1122  
GMT 12 Jun 93

[Text] Beijing, June 12 (XINHUA)—State Councillor and Minister in Charge of the State Family Planning Commission (SFPC) Peng Peiyun conferred a prize on Chojiro Kunii, head of the Japanese Organization for International Cooperation in Family Planning (JOICFP), here today.

The "SFPC Minister Prize" is aimed at commending Chojiro Kunii's efforts made for Sino-Japanese friendship and China's integrated project of family planning, maternal and child health care, and parasite control, Peng said.

Initiated by Chojiro and introduced to China in 1984, the integrated project has made great achievements in improving the health of women and children and reducing the infant mortality rate in its pilot areas, Peng said.

In addition, it has helped popularize knowledge of family planning and modern hygiene standards in those areas, Peng said.

So far, the project has been carried out in 16 provinces and autonomous regions in China. Some 1.2 million rural people benefit from the project.

Starting from parasitic control, the integrated project has emphasized the health care of individuals, especially mothers and children, so as to promote voluntary acceptance and practice of family planning.

During the past 20 years, the JOICFP has contributed to the success of integrated projects in 24 developing countries and regions in Asia, Africa and Latin America.

**Southeast Asia****Malaysian Envoy on Premier's Visit to PRC****Says Visit To Foster Goodwill**

OW1206025893 Beijing XINHUA in English 0216  
GMT 12 Jun 93

[Text] Beijing, June 12 (XINHUA)—The coming visit of Malaysian Prime Minister Datuk Sri Mahathir bin Mohamed is sure to foster the existing goodwill and

cooperation between the two countries, a Malaysian diplomat said here recently.

According to Malaysian Ambassador to China Dato Noor Adlan Yahayaudin, who was interviewed by XINHUA this week, the visit will be a big event in Malaysian-Chinese relations, in terms of politics, culture, economy and trade.

At the invitation of Chinese Premier Li Peng, Prime Minister Mahathir is expected to pay a 10-day official visit to China from tomorrow.

Ambassador Dato Noor said that during the visit, the top leaders of both countries will exchange views on bilateral issues, and regional and international issues of common concern.

Prime Minister Mahathir will acquaint himself with the progress and development that have taken place in China, he said.

He noted that the bilateral relations have enjoyed steady growth, and "there is no major problems between the two countries."

"The two sides share common perception, even common position on many international issues, and the visit will foster greater mutual understanding, friendship and cooperation, to the advantage of each side, in particular in economy and trade," Dato Noor said.

The ambassador disclosed that the Malaysian prime minister will be accompanied by 150 top and powerful business leaders.

"They are captains of Malaysian industries, covering wide and diversified sectors," he said. "Their presence reflects that they have the capability, interest and willingness to do business with China."

During the visit, as many as 20 agreements are expected to be signed concerning such fields as finance, construction, and retailing, he noted.

In the past years, the Sino-Malaysian economic and trade ties have developed steadily, he said.

In 1987, the bilateral trade volume stood at 385 million dollars, and it reached 1.475 billion U.S. dollars last year.

Concerning investment, the ambassador said that Malaysia invested in China 500 million U.S. dollars until 1992, and the figure is expected to increase to one billion U.S. dollars by the end of the year.

"From the figures we can see that the prospect of the bilateral trade and economical relations are good," he said. "As the businessmen of the two countries get to know each other more, and China widens its opening to the outside world and deepens reform," there is the impressive economic growth of both countries, "greater opportunities will be opened." [sentence as received]

As far as culture exchanges are concerned, Dato Noor said, a Malaysian film week will be held during the visit, and the Malaysian artists accompanying the prime minister will give performances in the cities he will visit.

Besides, Mrs. Mahathir will attending in Beijing a ceremony to launch the Chinese version of selected works of short stories written by Malaysian women writers, the ambassador added.

Before Mahathir, several top leaders from other countries of the Association of Southeast Asian Nations (ASEAN) have visited China in recent months.

Dato Noor cited China and the ASEAN nations as neighbors. He said that if these countries, while striving to build up their own economies, seek to strengthen cooperation, it will contribute to the peace, security and common development of the whole region.

The Malaysian ambassador observed that one of the principles guiding China's foreign policy is to live in harmony with its neighbors and China's relations with its neighbors have never been so good and China is a necessary force to maintain and sustain peace and stability in the region.

#### **Says Ties 'Becoming Closer'**

*BK1306143793 Beijing China Radio International in Malay 1230 GMT 13 Jun 93*

[Station correspondent (Fang Lipao) interview with Malaysian Ambassador to China Datuk Noor Adlan Yahayauddin on the Malaysian prime minister's forthcoming official visit to China—recorded; place and date not given]

[Text] [(Fang Lipao)] Good morning, Datuk! Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed will pay an official visit to China from 13 to 22 June. I am a correspondent of the Malay service of the China Radio International. Datuk, would you please discuss the development of relations between China and Malaysia in recent years such as cooperation and exchanges in economy, trade, science, technology, culture, sports, and other fields as well as prospects for the development of ties?

[Noor Adlan] Bilateral relations covering almost all fields have been developing rapidly. Almost all Chinese state leaders have paid official visits to Malaysia, including Prime Minister Li Peng, former President Yang Shangkun, and former Vice Premier Yao Yilin. In addition, there have been ministerial-level visits, including those of China's minister of foreign affairs, minister of justice, minister in charge of the State Commission for Science and Technology, minister in charge of the State Commission for Physical Culture and Sports, and minister of national defense. The Malaysian leaders who have visited China in recent years include the paramount ruler, the minister of foreign affairs, the minister of defense, and others. We can say that most of

the Malaysian cabinet ministers have paid official visits to China. The number of these high-level visits sufficiently reflects the rapid development of bilateral relations. Economic and trade ties have been developing much more rapidly as the Chinese Government is enhancing its economic reforms and open-door policy. For example, Malaysian investment in China amounted to U.S. \$500 million in 1992 and is expected to increase to U.S. \$1 billion at the end of this year. During this period, Chinese investment in Malaysia is about U.S. \$440 million. Similarly, the volume of bilateral trade increased to about \$1.4 billion in 1992.

Relations between Malaysia and China in science and technology are becoming closer, too. An agreement on scientific and technological cooperation was signed during the visit of the minister of science, technology, and environment to China last year.

Although Malaysia and China have not signed a cultural agreement, relations in this area can be said to be close. Many Chinese acrobatic troupes have performed in Malaysia in recent years. The prime minister's delegation is to include a Malaysian cultural troupe who will perform for the public in several places in China.

Malaysia and China also maintain close relations in sports. Malaysia has taken in many Chinese coaches to help Malaysia in sports such as badminton, basketball, and table tennis. As we know, Malaysia's success in winning the Thomas Cup and, thus, becoming the world's badminton champion was more or less attributed to the guidance of Chinese coaches.

I feel confident that future relations between Malaysia and China, particularly in the economy and trade will continue to grow much more as the Chinese Government is enhancing its economic reforms and open-door policy and our two countries are achieving rapid economic growth.

I also feel confident that the recent establishment of the Malaysia-China Friendship Association will provide the peoples of the two countries with another basis to establish closer relations.

[(Fang Lipao)] Datuk! Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed will again visit China from 13 to 22 June. His second visit to China will be a great event in the development of Sino-Malaysian relations. Would you please discuss more or less the objectives of His Honor Datuk Sri Dr. Mahathir Mohamed's visit?

[Noor Adlan] Malaysian Prime Minister His Honor Datuk Sri Dr. Mahathir Mohamed will visit China from 13 to 22 June at the invitation of Chinese Prime Minister Li Peng. The visit is generally designed to develop the harmonious relations that already exist. His Honor Datuk Sri Dr. Mahathir will use the opportunity to get to know better the Chinese leaders as well as developments in that country. In addition, the visit is also designed to encourage closer bilateral economic and trade relations. Because of this, the prime minister's delegation will also

include 158 prominent Malaysian entrepreneurs and businessmen representing various sectors such as manufacturing, (real estate), and petroleum. Several memorandums of understanding will be signed to reflect the businessmen's seriousness in having closer economic and trade relations. Thank you!

### **PRC-Malaysian Relations Growing 'Steadily'**

*OW1206074593 Beijing XINHUA in English 0651 GMT 12 Jun 93*

["Roundup" by Ding Baozhong]

[Text] Kuala Lumpur, June 12 (XINHUA)—Sino-Malaysian friendly relations have been growing steadily since Prime Minister Mahathir Mohamed first visited China in 1985, with the last two years seeing rapid progress.

Two new bilateral agreements on information and scientific and technological cooperation were signed last year, bringing the number of government-to-government agreements to eight so far. Previous accords involved the avoidance of double taxation, sea transport, air service, trade, investment guarantee and the establishment of a joint economic committee.

Since 1989, when the bilateral trade volume first surpassed the one billion U.S. dollar mark, it has maintained a double-digit growth rate annually. The two-way trade rose to 1.475 billion dollars in 1992 from 1.33 billion dollars in 1991.

In 1992, 34 more Chinese companies with investment intention set their offices in Malaysia, with contracted capital totaling 104 million dollars, or half of the accumulated capital invested by China in the last 10 years. Malaysia's direct investment in 128 Chinese projects totaled over 100 million dollars last year and more investment went to China indirectly.

The reciprocal visits of government delegations have recorded an evident increase. The exchange of visits at the head of state level was completed last year when former Chinese President Yang Shangkun visited Malaysia, reciprocating the China trip of the Supreme Head of State of Malaysia Sultan Azlan Shah in 1991.

The visit of Chinese State Councillor and Defense Minister Chi Haotian to Malaysia in May this year, in return to his Malaysian counterpart Najib Tun Razak's visit to China in August 1992, was considered as a milestone in the contact of the two countries in the military area.

Since the liberalization of travel restrictions by the Malaysian Government in 1990, the number of Malaysians visiting China rose to 105,000 in 1992 from 41,000 in 1990 and the first five months of this year saw another 50,000 Malaysians going to China. The Chinese visitors to Malaysia surged more than threefold from less than 10,000 in 1990 to 31,000 in 1992.

The Malaysia-China Friendship Association was established at the end of last year, with Prime Minister Mahathir Mohame assuming its patronage, a gesture of support.

Mahathir's visit to China next week is expected to push the friendly relationship to a new stage. A contingent of 143 businessmen is accompanying the prime minister to seek investment and trade opportunities in China.

The development of friendly relations between China and Malaysia is of common interest as both countries see economic cooperation as a contributor to their economic prosperity to raise the living standard of their peoples and to regional peace, stability and development.

### **Reportage on Malaysian Prime Minister's Visit**

#### **Leaves for Beijing**

*OW1306060993 Beijing XINHUA in English 0536 GMT 13 Jun 93*

[Text] Kuala Lumpur, June 13 (XINHUA)—Malaysian Prime Minister Mahathir Mohamad left here today for Beijing to start his 9-day official visit to China at the invitation of the Chinese Government.

He is accompanied by his wife Siti Hasmah, a 94-member official entourage including Foreign Minister Abdullah Ahmad Badawi, Transport Minister Ling Liong Sik, Primary Industries Minister Lim Keng Yaik, Minister of Culture, Arts and Tourism Sabbaruddin Chik, a delegation of 143 businessmen, a cultural troupe of 27 and 17 newsmen.

An earlier statement from the Malaysian Foreign Ministry said Mahathir's visit aims to achieve three main objectives, namely to promote greater friendship between Malaysia and China, to witness the vast economic changes since his first China visit in 1985 and to explore the economic opportunities for Malaysian businessmen in China.

During the visit, scheduled to end on June 22, Mahathir is to have talks with Chinese leaders on bilateral relations and regional and international issues of common interest. It will also take him to Urumqi, Kunming, Shenzhen and Haikou. A number of business agreements and memorandums of understanding are expected to be signed during the visit.

#### **Arrives as Li Peng's Guest**

*OW1306113193 Beijing XINHUA in English 1107 GMT 13 Jun 93*

[Text] Beijing, June 13 (XINHUA)—Malaysian Prime Minister Mahathir Mohamad arrived here this afternoon for a 10-day official visit, as guest of his Chinese counterpart Li Peng.

Mahathir's entourage includes senior government officials, leading businessmen, journalists and artists who will perform in Chinese cities Mahathir is scheduled to visit.

Among those greeting Mahathir at the airport were Minister of Internal Trade Zhang Haoruo, who is chairman of the Chinese Government Reception Committee, and Vice-Foreign Minister Tang Jiaxuan.

### **Li Peng Welcomes Mahathir**

*OW1406030993 Beijing XINHUA Domestic Service in Chinese 0217 GMT 14 Jun 93*

[“Flash” for exclusive use by evening newspapers]

[Text] Beijing, 14 Jun (XINHUA)—State Council Premier Li Peng presided over a ceremony in Beijing this morning to welcome Malaysian Prime Minister Mahathir Mohamed, who is paying a 10-day official visit to China.

The welcoming ceremony was held in the Central Hall of the Great Hall of the People. Premier Li Peng's complexion appeared to be ruddy, and he walked with firm steps. It was the first time since late April that he received a foreign guest in public.

When Prime Minister Mahathir and his wife arrived at the Great Hall of the People, Premier Li Peng and his wife, Zhu Lin, who had been waiting at the entrance of the Central Hall, stepped forward to warmly shake their hands and express their welcome. Two Young Pioneers presented Mahathir and his wife with flowers. Accompanied by Li Peng, Mahathir reviewed the honor guards of the three services of the Chinese People's Liberation Army.

Afterward, the premier and the prime minister held official talks.

### **Li Peng 'Looks Well'**

*OW1406040993 Beijing XINHUA in English 0343 GMT 14 Jun 93*

[Text] Beijing, June 14 (XINHUA)—Chinese Premier Li Peng started formal talks here this morning with visiting Malaysian Prime Minister Mahathir Mohamed, after presiding over an official ceremony to welcome him.

Li looked well and walked with firm steps as he accompanied Mahathir in reviewing a guard of honor of the three services of the Chinese People's Liberation Army.

This is Li's first public appearance in seven weeks, since he fell ill in late April.

When Mahathir and his wife arrived at the Great Hall of the People, Li and his wife Zhu Lin stepped forward to shake hands with them and extended a warm welcome.

After the ceremony, Li began formal talks with Mahathir in a reception hall. Li, describing Sino-Malaysian relations as “very good,” said he expects Mahathir's current visit to play a big role in furthering such ties.

Li said he noted that a big delegation of Malaysian entrepreneurs and a group of artists have come with Mahathir, a fact that shows the importance attached to this visit.

Mahathir said that the delegation is “the biggest ever to any country,” adding that such contact will serve to enhance mutual understanding, including the personal relationship between leaders of the two countries, as well.

At press time, the talks are still going on.

### **Li Shown Meeting Mahathir**

*OW1406084393 Beijing Central Television Program One Network in Mandarin 0600 GMT 14 Jun 93*

[From the “News” program]

[Text] Premier Li Peng officiated at a ceremony in the central hall of the Great Hall of the People this morning, extending a warm welcome to Malaysian Prime Minister Mahathir [video shows closeups of Premier Li Peng and his wife, Zhu Lin, greeting Prime Minister and Mrs. Mahathir at an entrance inside the building; video then shows Mahathir accepting bouquet from young Chinese girl]

Present at the welcoming ceremony were Zhu Lin, wife of Premier Li Peng; Qian Qichen, vice premier and minister of foreign affairs; Zhang Haoruo, head of the Chinese reception group and minister of internal trade; and Wan Guoquan, executive vice chairman of the Central Committee of the China Democratic National Construction Association, and others [video shows full views of Li Peng, with a mild smile on his face, and Mahathir walking together down a corridor toward the camera; video then cuts to show closeups of Li Peng introducing Mahathir to Chinese officials, including Qian Qichen and Zhang Haoruo; video then shows closeups of Mahathir introducing Li Peng to Malaysian officials; Li Peng's color appears normal and he moves without any apparent difficulty; no trembling is noted in any of his limbs]

Accompanying Prime Minister Mahathir are his wife, the minister of foreign affairs, the minister of communications, the minister of primary industries, and the minister of culture, arts and tourism, along with an entourage totalling more than 200 people.

Born in the State of Kedah in Malaysia in 1925, Mahathir graduated from the Department of Medicine in Singapore's University of Malaya in 1953. He was elected as a member of the Lower House for the first time in 1964. In 1973, he was appointed a member of the Upper House. In 1975, he was elected vice chairman of the United Malays National Organization [UMNO]. In

1981, he was elected chairman of UMNO. Since 16 July of that same year, he has been Malaysia's prime minister.

Prime Minister Mahathir paid an official visit to China in November 1985 [video shows Li Peng and Mahathir on a stand as Chinese national anthem is played; video cuts to show medium closeups of Li Peng and Mahathir reviewing Chinese Armed Forces honor guards]

### Li Walks 'Steadily' in Welcome

OW1406104293 Beijing XINHUA Domestic Service in Chinese 0830 GMT 14 Jun 93

[By reporters Zhou Shuchun (0719 2885 2504) and Lu Jing (4151 0513)]

[Text] Beijing, 14 Jun (XINHUA)—Premier Li Peng of the State Council hosted a grand ceremony in Beijing this morning to initiate Malaysian Prime Minister Mahathir Mohamed's 10-day formal visit to China.

The welcoming ceremony was held in the Central Hall of the Great Hall of the People. Premier Li Peng, wearing a dark-colored western suit, walked steadily. This was the first time he had received a foreign guest since late April.

This was the second meeting in the past year between Premier Li Peng and Prime Minister Mahathir: they held talks in Brazil's Rio de Janeiro in June last year, during a session of the World Conference on the Environment and Development.

At 0925 in the morning, Premier Li Peng, smiling, arrived at the Central Hall. He was greeted by diplomats and reporters at the hall and he cheerfully shook hands and chatted with those reporters he recognized. Two Young Pioneers who were assigned to take part in the welcoming ceremony approached Li Peng and said "How are you, Uncle Li!" Premier Li Peng cordially drew the two children to his side, and news photographers at the hall promptly captured the scene.

At 0930, Prime Minister and Mrs. Mahathir arrived by car at the East Gate of the Great Hall of the People and walked into the Central Hall amid a 19-gun salute. Premier Li Peng and his wife Zhu Lin, who were waiting in the hall, stepped forward to warmly shake hands and exchange regards with the guests, extending a warm welcome on the guests' visit to China. Two Young Pioneers saluted Mr. and Mrs. Mahathir and presented them with flowers.

Li Peng and Mahathir introduced their respective countries' high-ranking officials standing on each side of the hall to each other and shook hands with each one of the other side's officials. Then, Premier Li and Prime Minister Mahathir stepped up to the reviewing platform while a military band played the two countries' national anthems. Accompanied by Premier Li Peng, Prime Minister Mahathir reviewed an honor guard of the three services of the People's Liberation Army.

Amid the majestic martial music, the two leaders walked past the honor guard along a long red carpet, and then headed for Hebei Hall for a one-and-a-half-hour talk.

### AFP Says Li Looks 'Pale'

HK1406043493 Hong Kong AFP in English 0404 GMT 14 June 93

[Text] Beijing, June 14 (AFP)—Chinese Premier Li Peng made his first public appearance in nearly two months here Monday, when he welcomed his Malaysian counterpart Mahathir Mohamed. The welcoming ceremony inside the Great Hall of the People put to rest growing speculation here that Li, who officially was suffering from a "bad cold," was in fact in political trouble.

The ceremony is usually held outside the Great Hall, which sits on the edge of Tiananmen Square, but it was moved inside despite sunny skies over Beijing. No explanation was given for the change.

Li, 65, looked pale and gaunt during his 15-minute appearance and his dark blue suit was loose around his waist. But he walked confidently and smiled while shaking hands with members of the Malaysian delegation and inspecting the Chinese military guard of honor. The two leaders later sat down for talks.

"On behalf of the Chinese government and in my own name, I would like to express a warm welcome," Li told the Malaysian prime minister.

The premier last appeared in public April 24, when he played tennis with Singaporean President Goh Chok Tong. He was forced to cancel a tour of Central Asia and put Vice Premier Zhu Rongji in day-to-day control of the government. Li is to meet Australian Prime Minister Paul Keating, who is scheduled to visit here June 23-27, an Australian diplomat said Monday, quoting officials from the Chinese Foreign Ministry.

Official sources said privately that Li suffered a heart attack, but speculation over Li's political future was fueled by the government's refusal to provide any details of his illness. Diplomats here said that Li had suffered a stroke and was incapacitated, while reports in Hong Kong said he had contracted liver cancer. [passage omitted]

### Li Peng, Mahathir Hold Talk on Bilateral Ties

OW1406095293 Beijing XINHUA Domestic Service in Chinese 0723 GMT 14 Jun 93

[By reporters Zhou Shuchun (0719 2885 2504) and Lu Jing (4151 0513)]

[Text] Beijing, 14 Jun (XINHUA)—Premier Li Peng had a meeting with visiting Malaysian Prime Minister Mahathir Mohamed at the Great Hall of the People this

morning to discuss development of Sino-Malaysian relations as well as regional and international issues of common concerns. They reached agreement on a wide range of subjects.

According to an official [guan yuan—1351 0765] from the Chinese Ministry of Foreign Affairs, the talks proceeded in a sincere and friendly atmosphere. [Beijing XINHUA in English at 0554 and 0615 GMT on 14 June carries two similar reports on Li Peng's meeting with Mahathir; XINHUA English refers to remarks on the meeting being made by "a Chinese Foreign Ministry spokesman," rather than an "official"] The two prime ministers expressed satisfaction over the development of bilateral Sino-Malaysian ties. Li Peng appreciated the efforts which Mahathir has made over the years to develop the two countries' relations. He said: On the whole, the development of bilateral relations has been smooth since China and Malaysia established diplomatic relations in 1985. Especially since 1985, when Prime Minister Mahathir visited China for the first time, the two countries have made substantial headway in developing their relations. Li Peng expressed the belief that Mahathir's current visit would give a powerful impetus to the development of the two countries' cooperation in all spheres, noting: Not only is this in the fundamental interests of our two peoples, but it also is in the interest of peace and development in this region and the world.

Mahathir agreed with Li Peng's assessment of the two countries' relations. He said: Since his visit to China in 1985, Malaysian-Chinese relations, especially economic and trade relations, have developed enormously, and bilateral trade volume has reached 4.4 billion ringgits. The two countries certainly will make even greater headway in developing their economic and trade cooperation in the future. Noting China's rapid economic growth, he said Malaysia is willing [yuan yi 1959 1942] to invest in China.

Li Peng said: The investment environment in China has improved significantly. Sino-Malaysian economic and trade cooperation has enormous potential and a bright future. China welcomes Malaysia to invest in China and carry out all forms of cooperation in all spheres.

To promote the development of bilateral relations and personnel exchanges, the two prime ministers agreed to establish consulates in each other's country.

Commenting on international and regional situations, the two leaders unanimously maintained that China and Malaysia share identical or similar views on many issues, and that the two sides should strengthen their consultations and cooperation.

Li Peng said: Under the current international situation, the establishment of a just and rational new international political and economic order has become the necessity of the times. To establish this new international order, certain basic principles guiding interstate relations should be defined. For example, all countries,

large and small, should be equal members of the international community and have the rights to participate in international affairs; all countries should respect each other's sovereignty and territorial integrity; international disputes should be settled through peaceful means, instead of resorting to force or the threat of force; people from all countries have the right to decide on their own destinies and models of development, which brooks no interference from other countries; and the new international economic order should be based on equality and reciprocity.

Prime Minister Mahathir said that Malaysia and China share many common views on the establishment of a new international order.

Li Peng appreciated Mahathir's viewpoints, which he had time and again underscored, that democracy is the means, rather than the end; that he is opposed to imposing one concept of democracy and human rights on other countries; and that he is opposed to linking human rights with assistance, trade, and investment. Li Peng said: China always attaches great importance to democracy and human rights. Owing to different levels of development and national situations, different countries have different views and priorities on democracy and human rights. As far as a developing country is concerned, its human rights should be the rights to independence, subsistence, and development; and the promotion of democracy in a country should be conducive to its political stability and economic development.

Mahathir maintained that Malaysia and China share many identical or similar views on issues about democracy and human rights. He said: Outside forces always wanted to impose their social systems and value concepts on us. By doing this they wanted to disturb our countries and control us. We believe that our social systems and value concepts are compatible with our national situations and are conducive to our stability and development.

Li Peng said: We support Malaysia's concept of establishing an "East Asian Economic Conference," and we are ready to make efforts along with Malaysia and other countries to promote economic cooperation in this region. Prime Minister Mahathir expressed agreement and thanks to this.

Li Peng added: There is now a strange argument in the world today. It claims that once China has developed, it will threaten other countries. This allegation is groundless. China's economy has indeed developed significantly, but we know this ourselves. While populous and big, China has a poor foundation to start with. Judged by our per capita share of the gross national product, we still need several decades before we can catch up with intermediate developed countries, and so economic construction will continue to be our central task for a very long time to come. For the sake of developing our economy, we need internal stability and a peaceful external environment. We are willing to develop friendly relations

and cooperation with all countries in the world. Li Peng pointed out: Developing good neighborly relations with neighboring countries has been China's unwavering policy. Those people who spread the "China threat" theory have ulterior motives. They want to provoke China's relations with its neighbors. In fact, a prosperous China will be an important factor of peace and stability in Asia and the world. Even when China has become a strong country, we will not threaten any country or seek to develop a sphere of influence. Hegemonism runs counter to China's state and national interests. Since we are opposed to other countries doing this, we will never do so ourselves.

Mahathir indicated that Malaysia does not endorse the "China threat" theory, saying that this is a groundless allegation.

During the talks, which lasted nearly 90 minutes, the two prime ministers unanimously indicated that the talks they had today were very important and that they were satisfied with the results.

Present at the talks were Qian Qichen, vice premier and minister of foreign affairs; Zhang Haoruo, head of the government reception group and minister of internal trade; as well as senior Malaysian officials accompanying Prime Minister Mahathir, including Foreign Affairs Minister Abdullah and Transportation Minister Ling Liong Sik.

#### **NPC Chairman Qiao Shi Receives Mahathir**

*OW1406133793 Beijing XINHUA Domestic Service in Chinese 1223 GMT 14 Jun 93*

[By reporter Lu Jing (4151 0513)]

[Text] Beijing, 14 Jun (XINHUA)—Meeting with Prime Minister Mahathir and his party at the Great Hall of the People this afternoon, Qiao Shi, chairman of the National People's Congress [NPC] Standing Committee, indicated that he is looking forward to visiting Malaysia in the near future.

Prime Minister Mahathir indicated that he believed Chairman Qiao Shi's visit to Malaysia will be a success.

On behalf of the NPC Standing Committee, Qiao Shi extended a warm welcome to Prime Minister Mahathir and his party.

According to a spokesman for the Ministry of Foreign Affairs, Qiao Shi said: China and Malaysia are close neighbors. In recent years our two countries have made fairly significant headway in developing our relations, and high-level contacts as well as exchanges in various spheres have been very frequent. We are very glad for this.

Qiao Shi said: "I am looking forward to visiting your country in the near future."

Mahathir indicated that he was glad to meet Chairman Qiao Shi. He said: "We are making preparations for Chairman Qiao Shi's visit. We believe the visit will be a success."

During the meeting, Qiao Shi briefed Mahathir on China's domestic situation and long-range plans. He pointed out that China's current situation at home is good and stable, and that economic growth has been fast. He added that attention has been directed to guarding against overheating economic development and inflation.

Prime Minister Mahathir said: Malaysia's economy is also growing, and we are facing the same problems. He added: Malaysia and China should promote their contacts so that the two countries can exchange information and experiences concerning economic development. Chairman Qiao Shi said he agreed.

The meeting proceeded in a cordial and friendly atmosphere.

#### **Spokesman: Qiao To See Malaysia**

*OW1406140593 Beijing XINHUA in English 1351 GMT 14 Jun 93*

[Text] Beijing, June 14 (XINHUA)—Qiao Shi, chairman of China's National People's Congress (NPC) Standing Committee, is to visit Malaysia in the near future.

During his meeting with visiting Malaysian Prime Minister Mahathir Mohamed here today, Qiao said that he is looking forward to the visit to Malaysia in the near future, according to a Chinese Foreign Ministry spokesman.

The spokesman quoted Mahathir as saying that he believes the upcoming visit by Qiao will be a success.

The date of the visit, however, has not been announced.

At the beginning of the meeting, Qiao extended a warm welcome to Mahathir and his party on behalf of the Standing Committee of the NPC, China's parliament.

He said bilateral ties between China and Malaysia have expanded greatly in recent years.

"We are happy to see that top-level visits and other exchanges between our two countries are very frequent," Qiao said.

"I'm looking forward to the visit to your country in the near future," Qiao was quoted as telling Mahathir.

Mahathir said he was pleased to meet Qiao. "we are now making preparations for the visit of Chairman Qiao Shi, and (we) believe that the visit will be a success," he was quoted as saying.

During the meeting, Qiao also briefed Mahathir on China's domestic situation and long-term plans.

He said China's domestic situation is good and stable, and the economy is developing relatively rapidly. "currently we are paying attention to the prevention of economic overheating and inflation," he said.

Mahathir said that his country, whose economy is also developing, is faced with similar problems.

He noted that Malaysia and China should increase contacts to exchange views on economic development.

According to the Foreign Ministry spokesman, the meeting was proceeded in a cordial and friendly atmosphere.

#### **Mahathir Shown Around Forbidden City**

OW1406134393 Beijing XINHUA in English 1318  
GMT 14 Jun 93

[Text] Beijing, June 14 (XINHUA)—Visiting Malaysian Prime Minister Mahathir Mohamed expressed his great interest in the architecture and history of ancient China when visiting the palace museum here this afternoon.

The prime minister was shown around the Imperial Palace where 24 emperors of the Ming and Qing Dynasties (from late 14th century to early 20th century) used to live.

This morning, Siti Hasmah, wife of the prime minister, met with Yang Yanyin, vice-president of the All-China Women's Federation, in the Diaoyutai State Guesthouse. They exchanged views on how to improve women's social status.

The prime minister and his wife arrived here yesterday on a 10-day official visit as guests of Chinese Premier Li Peng.

#### **PLA's Xu Huizi Fetes Thai Army Commander**

OW1306114093 Beijing XINHUA in English 1125  
GMT 13 Jun 93

[Text] Beijing, June 13 (XINHUA)—Wimon Wongwanit, commander-in-chief of the Thai Army, arrived here this afternoon for a week-long visit to China.

Later today, Xu Huizi, deputy chief of General Staff of the Chinese People's Liberation Army, presided over a ceremony and hosted a dinner to welcome the Thai Army leader and his party.

#### **Chi Haotian Meets Guest**

OW1406141793 Beijing XINHUA in English 1358  
GMT 14 Jun 93

[Text] Beijing, June 14 (XINHUA)—General Zhang Zhen, vice-chairman of China's Central Military Commission, met with General Wimon Wongwanit, commander-in-chief of the Royal Thai Army, and his party here this afternoon.

The two sides exchanged views on bilateral relations as well as on regional and international issues of common interest. They agreed that China and Thailand should strengthen bilateral cooperation to maintain peace and stability in the region and enable the people to live and work in peace and contentment.

During the meeting, Zhang briefed the guests on China's political, economic and military situations, saying that China welcomes more delegations of the Thai Army to come to visit so that exchanges between the two armies can be expanded.

He pointed out that China wants peace, for a nation can develop only when there is a peaceful environment.

Zhang reiterated that there is only one China, and Taiwan is an inalienable part of the country.

Wongwanit said that Thailand and China enjoy friendly relations and have had good cooperation on many issues including the Cambodian issue. He hoped that cooperation at various levels between the two armies can be further enhanced.

Later, General Chi Haotian, Chinese minister of national defense, met with Wongwanit and his party. He expressed his belief that the current visit by Wongwanit will further strengthen the friendly cooperative relations between the two countries and the two armies.

This evening, Zhang Wannian, chief of general staff of the Chinese People's Liberation Army (PLA), met with and hosted a banquet in honor of General Wongwanit and his party.

Wongwanit and his party arrived here yesterday afternoon as guests of the PLA General Staff headquarters. This is Wongwanit's fourth visit to China. Apart from Beijing, he and his party are scheduled to visit Xian, Guilin and Kunming.

#### **NPC's Wang Guangying Meets Australian Guests**

OW1406092093 Beijing XINHUA in English 0801  
GMT 14 Jun 93

[Text] Beijing, June 14 (XINHUA)—Wang Guangying, vice-chairman of the Standing Committee of China's National People's Congress (NPC), met with a five-member delegation of the Australian Political Exchange Council here today.

The delegation, headed by Mick Doyle, an executive board member of the government of the state of South Australia, arrived here last Saturday [12 June] for a four-day visit to China as guests of the All-China Youth Federation.

They are also scheduled to travel to Nanjing, capital of East China's Jiangsu Province, and Shanghai, China's leading industrial center.

**Brunei Foreign Minister Bolkiah Leaves Shanghai***OW1406091793 Beijing XINHUA in English 0825  
GMT 14 Jun 93*

[Text] Shanghai, June 14 (XINHUA)—Prince Mohamed Bolkiah, Foreign Minister of Brunei Darussalam, left here today at the end of his official goodwill visit to China.

Shanghai Mayor Huang Ju met with Prince Bolkiah and briefed him on the ongoing reform and opening-up, economic construction and urban development in his municipality.

Prince Bolkiah said he was deeply impressed by the fast-growing economy in Shanghai. He expressed the willingness of Brunei to have extensive exchanges with Shanghai so as to deepen bilateral mutual understanding and cooperation.

While in Shanghai, Brunei officials accompanying the prince inspected the Pudong economic development zone to acquaint themselves with the city's investment policy and environment.

**Wu Yi Meets Lao Deputy Director of Planning***OW1406121793 Beijing XINHUA in English 1123  
GMT 14 Jun 93*

[Text] Beijing, June 14 (XINHUA)—Chinese Minister of Foreign Trade and Economic Cooperation (MOFTEC) Wu Yi met here today with visiting Laotian Deputy-Director of National Planning and Cooperation Commission Khempheng Pholsena.

They exchanged views on further development of bilateral economic and trade relations.

Wu said that Sino-Laotian economic and trade relations have been developing well ever since the two countries resumed bilateral ties in 1989. Sino-Laotian trade volume last year reached 31 million U.S. dollars, an increase of 135 percent over 1991.

Khempheng said that she was impressed by the achievements China has made in carrying out reform and opening policy. She invited Chinese entrepreneurs to invest in Laos in exploring agricultural and mineral resources.

Khempheng and her party arrived here June 12 at the invitation of MOFTEC.

**Khmer Rouge Recognizes Cambodian Elections***BK1206014093 Beijing China Radio International in  
Cambodian 1030 GMT 11 Jun 93*

[Text] At the meeting of the Supreme National Council [SNC] on 10 June, Yasushi Akashi, chief of UN Transitional Authority in Cambodia [UNTAC], announced the results of the Cambodian general elections. The Party of Democratic Kampuchea has recognized this result.

At the meeting Prince Norodom Sihanouk said that Democratic Kampuchea had announced that it will not take part in the general elections and will not recognize the election result. Now the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC] Party has won the election. Democratic Kampuchea has announced that it recognizes the result. Democratic Kampuchea has greatly changed its stance and attitude.

Apart from Khieu Samphan and Son Sen, SNC members from Democratic Kampuchea who did not attend the meeting, other SNC members were present at this meeting.

**Cambodian Party Leader Willing To Cooperate***BK1206020293 Beijing China Radio International in  
Cambodian 1030 GMT 11 Jun 93*

[Text] Prince Norodom Ranariddh, leader of the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC] Party, which won the most assembly seats in the recent general election, said on 10 June in Phnom Penh that his party would be happy to hold discussions and work fraternally with the Cambodian People's Party.

Talking to reporters after the meeting of the Cambodian Supreme National Council, Ranariddh said that Prince Sihanouk, His Excellency [H.E.] Son Sann, and he himself had accepted the election results, while H.E. Hun Sen had not. The prince further said that winners and losers should accept the Cambodian people's decision, forget the past, and realize that all are Cambodians. Drawing on this, all should unite and work to build peace with territorial integrity and independence in Cambodia. The Cambodian people's human rights should absolutely be respected.

On the same day, Yasushi Akashi also issued a statement appealing to various Cambodian parties to put national interests first, accept the general election results, and work together for peace and to restore Cambodia.

**Son Sann Hopes Sihanouk Assumes Leadership***BK1206120693 Beijing China Radio International in  
Cambodian 1030 GMT 12 Jun 93*

[Text] Son Sann, Supreme National Council [SNC] member and chairman of the Buddhist Liberal Democratic Party, has expressed his concern over the current situation in Cambodia. He stated this in an interview with our station correspondent at his office in Phnom Penh on 11 June.

Son Sann said due to the inadequate implementation of the Paris 23 October 1991 accord, there are several difficult problems in the Cambodian situation and the country is facing the more serious prospect of division. He added that some Cambodian People's Party officials have rejected the elections results and declared Stung

Treng, Ratanakiri, Mondolkiri, Kompong Cham, Prey Veng, and Svay Rieng Provinces in eastern Cambodia as autonomous zones.

Son Sann said he is worried and desperate over the failure of the general elections to bring genuine peace to Cambodia. He hopes His Royal Highness Prince Norodom Sihanouk will lead all Cambodian people to overcome the present difficulties and to restore peace and unity to the country and nation.

### Near East & South Asia

#### Rong Yiren Meets Maldivian Foreign Minister

OW1106131793 Beijing XINHUA in English 1231  
GMT 11 Jun 93

[Text] Beijing, June 11 (XINHUA)—Chinese Vice-President Rong Yiren met with visiting Maldivian Foreign Minister Fathulla Jameel and his party at the Great Hall of the People here this morning.

An official of the Chinese Foreign Ministry quoted Rong as saying that every country, big or small, has its own advantages and is an equal member of the international community.

So, Rong said, every country has the right to make decisions on and handle its own internal affairs as well as make contributions to international affairs in an equal capacity.

Jameel, who held talks with Chinese Vice-Premier and Foreign Minister Qian Qichen yesterday, said he congratulated China for its economic progress in recent years.

Briefing Rong on Maldives' economic development in the past 15 years, Jameel said that his country is grateful to China for its moral and material help.

Both sides also exchanged views on human rights.

Rong conveyed greetings from Chinese President Jiang Zemin to Maldivian President Maumoon Abdul Gayoom and on behalf of Jiang, Rong invited the president to visit China when he feels it is convenient. Jameel also extended regards to Jiang from the Maldives president.

This afternoon the foreign minister went to a painting exhibition in downtown Beijing's Central Academy of Fine Arts and later gave an interview to Chinese reporters.

#### Media Interview Official

OW1106134293 Beijing XINHUA in English 1234  
GMT 11 Jun 93

[Text] Beijing, June 11 (XINHUA)—Visiting Maldivian Foreign Minister Fathulla Jameel said here today that his talks with Chinese leaders were constructive and the two countries had identical views on development and many other issues.

Jameel said in an interview with Chinese reporters that both China and Maldives hold that it is necessary to strengthen South-South cooperation.

On the other hand, he said, the industrialized nations should also make efforts to narrow the gap between the rich and the poor in the world.

On the issue of human rights, the foreign minister noted that it is a mistake to try to formulate uniform standards and force them on every country in a world composed of nations with different cultures, traditions and beliefs.

He called on the international community to show maturity in considering the problem of human rights, giving enough room to differences in cultures and traditions.

The foreign minister, who is scheduled to conclude his five-day visit to China tomorrow, also answered questions on the economic construction of developing countries and tourism.

#### 'Analysis' on Hashemi-Rafsanjani's Reelection

OW1306095693 Beijing XINHUA in English 0925  
GMT 13 Jun 93

["News Analysis" by Ge Xiangwen and Rong Song: "Re-elected President Faces Old Tasks, Challenges"]

[Text] Tehran, June 13 (XINHUA)—Hashemi-Rafsanjani, re-elected Iranian president, faces the same arduous tasks, challenges and problems that have plagued him since he first became president in 1989.

Population boom, rocketing inflation, worsening unemployment, flagging production, war-ravaged economy were among the problems Hashemi-Rafsanjani vowed to settle four years ago.

Things have been improved, yet the country is still in a dilemma which the president has been trying to find a way out.

The population growth rate has been lowered from 3.2 percent to 2.7 percent over the past several years. But it still remains one of the highest in Asia.

Iran's population was some 35 million when the eight-year Iran-Iraq war broke out in 1980, but now stands at about 60 million. The population boom has created troubles for the nation in many aspects, eating away at the limited economic achievements.

Under the new family planning law passed by the parliament recently, all Iranian couples should not have more than three children. But it lacks strict measures to check the birth rates in this Islamic society, as the Iranians consider a family of more than five children as ideal.

The government under Hashemi-Rafsanjani has managed to lead the war-time economy onto normal rails, but problems left over by the war are still there.

The government claims to have achieved a gross domestic product growth rate of about eight percent over the past four years—one of the highest in the region—from the negative growth rate of about five percent during the several years before the war ended in 1988.

However, this has been seen achieved largely at the cost of declining standards of living from year to year.

Inflation rate remains at over 30 percent and there are several million unemployed people in the country. People seem to have been accustomed to price hikes year after year that have plagued the lower income earners, including government employees.

Real incomes of the people have been on the decrease despite the high inflation rate and price hikes. In terms of reality, government employees earn about five times less than they did 10 years ago, causing disappointment at the revolution and resentment against the government.

Furthermore, lower efficiency and corruption have become two other headaches for the government of Hashemi-Rafsanjani, whose prestige has been on the decline compared with that of four years ago when he got 94 percent of the total votes to become the president. He got only 63 percent of the total votes in the re-elections this time.

Although Iran's relations with the international community have been improved over recent years, the Islamic republic is still far from normalizing relations with some countries, particularly Western nations.

Its tough and unyielding stand for the sake of Islam both at home and abroad has placed itself against the interests of many who act from the position of power.

Hashemi-Rafsanjani, considered a wise and moderate politician, has been fully aware of the problems the country faces.

He stated four years ago when he first became the president, "independence could be meaningful only when the country is economically strong."

He then told the nation that better economy can not be attained overnight, but now he can not repeat this after four years at office. Besides listing his achievements, he will promise further improvements by drafting the second five-year development plan which will start in 1994, observers here say.

Observers here believe that in the near future, the priorities of Hashemi-Rafsanjani's government will include reforming state-run companies running at very low efficiency, continuing massive infrastructure reconstruction, attracting badly-needed foreign investment and trying to improve relations with Western countries.

No major shift of policy is predicted though Hashemi-Rafsanjani will be in a better position to put into practice

of his pragmatic policies when he forms his new cabinet by dropping several of his old ministers.

"There will be no miracle from Hashemi-Rafsanjani as he is still facing blocks from different centers of power within the ruling elite, but gradual changes towards realism will be witnessed," commented a local observer.

## Sub-Saharan Africa

### Geologists Visit Southern African Countries

OW1306205193 Beijing XINHUA in English 2032  
GMT 13 Jun 93

[By Teng Wenqi]

[Text] Johannesburg, June 13 (XINHUA)—A Chinese delegation led by Song Ruixiang, vice-minister of geology and mineral resources, left here for home by air today after winding up its visits to South Africa from May 24 to 28 and from June 11 to 13.

During its stay in S. Africa, the delegation visited some gold, diamond, platinum and chrome mines in the country and exchanged views with S. African officials on bilateral co-operation in the fields of geology and mineral resources.

The two sides agreed to undertake joint geological research programs and to promote the exchange of information and technology in the fields of geology, mining and mineral resources.

The Chinese delegation visited Tanzania and Botswana from May 29 to June 10, during the intermission of the visits.

The delegation came to South Africa at the invitation of South African Minister of Mineral and Energy Affairs George Bartlett.

### Friendship Delegation Visits South Africa

OW1206012493 Beijing XINHUA in English 2244  
GMT 11 Jun 93

[By Teng Wenqi]

[Text] Johannesburg, June 11 (XINHUA)—Han Xu, visiting president of the Chinese People's Association for Friendship With Foreign Countries, gave a lecture here today under the title "China in the Process of Reform and Opening-Up".

Han, former Chinese ambassador to the United States, is on a visit to South Africa at the head of a delegation from the Chinese People's Association for Friendship With Foreign Countries.

In his lecture to scholars of the South African Institute of International Affairs, Han said the reform in China started and first succeeded in rural areas and its focus was then gradually shifted to urban areas.

Han said, "Reform is aimed at liberating and expanding productive forces. Opening means intensifying international cooperation, drawing on and assimilating the achievements of civilizations the world over, including the advanced technology of the Western countries, and taking advantage of all their strong points."

Han said, China's grain output increased from 300 million tons before the reform to over 400 million tons after the reform and there has been extensive growth in farming, forestry, animal husbandry, sideline production and fishery.

Han said the township and village enterprises were a great invention made by the Chinese farmers in the reform process. In the 1980s, such enterprises of different types mushroomed rapidly, giving employment to 100 million farmers, facilitating development of various townships and preventing a rush of surplus rural labor to the cities.

"In China," Han said: "Areas open to overseas business have extended from industry and agriculture gradually to finance, insurance, commerce and tourism. An increasing number of foreign investors have begun to take a profound interest in China and made investments in the Chinese market. In 1992, direct foreign investment reached 11 billion dollars."

"While deepening economic restructuring, China is going a step further in political restructuring to accelerate the change in the functions of the government," he said.

"Thanks to the virtuous circle of political stability and economic growth, China has recorded tremendous achievements attracting worldwide attention."

"From 1980 to 1990, China's gross national product grew at an average annual rate of 8 percent," Han said, adding that a 12.8 percent increase in GNP was recorded last year.

### East Europe

#### PRC, Croatia Issue Joint Declaration

OW1206064893 Beijing XINHUA in English  
0632 GMT 12 Jun 93

[Text] Beijing, June 12 (XINHUA)—On the occasion of Croatian President Franjo Tudjman's visit to China, China and Croatia issued a joint declaration here today.

The declaration said that during the visit from June 6 to 12, President Tudjman and his party held talks with Chinese President Jiang Zemin on bilateral relations and international issues of common concern.

The two sides also signed agreements on encouraging and protecting mutual investments, on cultural and educational cooperation and on sea transportation, and a consultation protocol between the Foreign Ministries of the two countries.

Highlights of the declaration are as follows:

- The two sides are satisfied over the smooth development of the friendly and cooperative relations between the two countries. They emphasized their willingness to further develop such ties in various fields.
- The two sides will develop friendly cooperative relations on the basis of the principles stipulated in the joint communique on the establishment of diplomatic ties between the two countries.

The two sides hold that every nation, big or small, strong or weak, rich or poor, has equal rights in the world community. Each country has the right to choose its social system, ideology, economic mode and ways of development, in the light of its own characteristics and interests.

The two sides agree that their differences on these fields should not hinder the development of the normal relations between the countries.

The two sides, abiding by the principles of the U.N. Charter, stand for the establishment of a fair and reasonable international political and economic order based on the Five Principles of Peaceful Coexistence. The two sides reaffirm their positions and resolve to solve international disputes through peaceful means.

- The two sides, greatly concerned over the situation in the former Yugoslavia, hold that armed clashes should be stopped immediately and all the problems should be settled peacefully through consultations and negotiations. The two sides support all the efforts made by the world community which are conducive to a fair, reasonable and peaceful settlement of the crisis of the former Yugoslavia.
- The two sides are satisfied with the development of the Sino-Croatian economic ties and expressed their readiness to expand and deepen their cooperation in bilateral economic relations and trade in various forms on the basis of equality and mutual benefit.
- The two sides agree to hold regular and multi-level consultations on bilateral ties and other issues of mutual interest.
- The leaders of China and Croatia, satisfied with the results of the first Sino-Croatian summit, will work for the sustained and stable development of the bilateral ties for the benefit of the two peoples.
- President Tudjman invites President Jiang Zemin to visit Croatia, and Jiang accepts the invitation with pleasure.

[Zagreb Radio Croatia Network in English/Serbo-Croatian at 1500 GMT on 12 June carries an announcer-read version of the Sino-Croatian joint declaration. The Zagreb radio version is identical to the Beijing XINHUA English version, with the following exception:

The first sentence of the first paragraph to the first sentence of the fifth paragraph reads:

"In the course of President Tudjman's visit to the People's Republic of China, the two presidents signed a joint declaration of the Republic of Croatia and the People's Republic of China which was simultaneously made public in Beijing and Zagreb today. The declaration says: "

"At the invitation of Jiang Zemin, president of the People's Republic of China, Croatian President Dr. Franjo Tudjman, accompanied by a Croatian delegation, paid a state visit to the People's Republic of China between 6 and 12 June."

"The Croatian and Chinese presidents held talks in a friendly and practical atmosphere. In the course of their visit, the top-ranking guests from Croatia visited Beijing, Xian, and Xiamen. The two sides discussed bilateral relations and international issues of common concern and signed an agreement on encouraging and protecting mutual investments, an agreement on cultural and educational cooperation, an agreement on marine transport, a consultation protocol between the Foreign Ministries of the two countries."

"—The two sides...." (omitting dateline, expanding opening three paragraphs, and omitting reference in fourth paragraph to "highlights of the declaration")

### Political & Social

#### Li Peng 'Recovering Well' in Hospital

HK1306041593 Hong Kong TA KUNG PAO in Chinese  
13 Jun 93 p 2

[By staff reporter Ma Ling (7456 3781) ]

[Text] Beijing, 12 Jun (TA KUNG PAO)—According to people who recently visited Li Peng in the hospital, Li Peng is recovering well and his spirits and physical appearance are almost no different from before he fell sick.

It is said that Li Peng was also aware of the outsiders' conjectures and rumors about his health, and his reply was that you may think as you will after seeing me.

Reportedly, Li Peng required that he be discharged from the hospital after his illness was under control, but the doctors did not agree. Not long ago, Li Peng began to handle a small amount of official affairs in the hospital.

#### Spokesman: Li To Resume Duties

HK1406060193 Hong Kong AFP in English 0554 GMT  
14 Jun 93

[Text] Beijing, June 14 (AFP)—Chinese Premier Li Peng is getting "better and better" and will start taking up all his duties, a spokesman said Monday after the leader's first public appearance in almost two months. "As you have all witnessed Premier Li Peng has done very well with his recovery and he is now gradually resuming all his duties," the Foreign Ministry spokesman said. Li, 65, reappeared in the morning, smiling but pale and gaunt, to meet his Malaysian counterpart Mahathir Mohamed.

"Premier Li Peng is getting better and better in his health," Wu said at a press conference after the two leaders met. The spokesman refused to specify what illness Li had suffered from during the two months.

Asked whether Li would soon take up his diplomatic duties, especially a trip to Central Asia planned for May but which Li had to cancel, the spokesman said, "he will certainly have more diplomatic duties to perform as premier." He said the dates for the trips to Mongolia and Central Asia would be decided through diplomatic channels.

#### Zhu Rongji 'Entrusted by' Li Peng To Conduct Meeting

OW1106133293 Beijing XINHUA in English 1312  
GMT 11 Jun 93

[Text] Beijing, June 11 (XINHUA)—A proposal, a draft law and two sets of regulations were either adopted or adopted in principle today at the fifth executive meeting of the State Council, China's highest governing body.

Entrusted by Premier Li Peng, Vice Premier Zhu Rongji presided over the meeting.

Participants adopted a proposal that the Standing Committee of the National People's Congress [NPC], China's legislature, examine the proposal on the establishment of a "science and technology day" in China.

They also adopted a draft Red Cross Society law, draft regulations regarding the handling of labor disputes in enterprises and draft rules for the introduction of a water-pumping licensing system.

Participants at today's meeting agreed that science and technology are the most important productive force and promoting progress in science and technology is a historical responsibility of the whole society.

According to participants, it is necessary to establish a science and technology day in China in order to enhance the sense of science and technology among the people of various nationalities, spread knowledge of science and technology as well as their findings, raise both the political and social status of Chinese scientists and technicians, and create a prevailing atmosphere of respecting intellectuals and capable people, and loving, studying and applying science.

Participants decided to submit the proposal to the NPC Standing Committee for deliberation.

They agreed that the formulation of a Red Cross Society law is a need to perform the duties of humanitarianism as prescribed by the Geneva Convention and International Red Cross Movement.

The Red Cross Society of China currently has 17 million members and 130,000 grassroots organizations.

Participants said that the enactment of a law to define the nature and status of Red Cross organizations in China will make it possible for these organizations to develop vigorously under a legal system.

They adopted in principle the draft law and decided to submit the revised version to the NPC Standing Committee for deliberation.

#### Daily Denies 'Resettlement' Plan for Tibet

OW1206092493 Beijing XINHUA in English 0852  
GMT 12 Jun 93

[Text] Beijing, June 12 (XINHUA)—The Chinese Central Government has never drafted or implemented any plan for "resettlement" in Tibet, dubbed as the roof of the world, said a signed article in today's overseas edition of the "PEOPLE'S DAILY" [RENMIN RIBAO].

As a matter of fact, Tibet has seen rapid increases in its population and positive improvement in the general qualities of local residents, the article went on.

Tibet had no accurate population statistics when it was peacefully liberated in 1951, but the local government at the time set the figure at about one million.

According to four censuses conducted since the founding of New China in 1949, in 1953 the population of Tibet was near one million (Changdu not included at the time), up to 1.251 million in 1964, (not including 60,000 to 70,000 Tibetans who went abroad under duress during the 1959 rebellion in the highland region), 1.892 million in 1982 and 2.196 million in 1990, of which 2.096 million were Tibetans.

Moreover, surveys by related departments of Tibet demonstrated that by the year of 1965, juveniles aged from seven to 17 in the region had experienced average height increases of 8.11 cm (for boys) and 8.46 cm (for girls) and weight increases of 4.75 kg (for boys) and 3.16 kg (for girls).

Thanks to the improvement of people's daily living standards and medical and health conditions, the average life span of Tibetans has increased from 35.5 years in the 1950's and to the present 65 years.

The Chinese Central Government has never worked out or implemented any plan for "resettlement" in Tibet. The state has sent a small number of people from inland areas to Tibet in accordance with the construction demands of the region. Most of the people sent are technical workers of higher education and with high technical skills. These inland people, who share comforts and hardships together with local Tibetans and treat them as their own brothers, have contributed a lot to the economic and cultural construction of the highland autonomous region and are warmly welcomed by local residents.

Over the past few years, as China has adopted more flexible policies in developing its national economy and deepened its various reforms, some people of Han nationality and nationalities other than Tibetan have also gone to Tibet to do business or find jobs at local construction projects. They have played a positive role in promoting the development of local economy and spreading advanced techniques and management methods, as well as in enlivening circulation and markets in the local areas of Tibet.

#### **Tibet Said To Have No 'Nuclear Contamination'**

OW1206093393 Beijing XINHUA in English 0914  
GMT 12 Jun 93

[Text] Beijing, June 12 (XINHUA)—The soil and water of the Tibet Autonomous Region in China have no artificial pollution from radioactive materials at all, still less nuclear contamination, according to a signed article carried in today's overseas edition of the "PEOPLE'S DAILY" [RENMIN RIBAO].

The article, entitled "Progress and Development in Tibet", said the Tibet plateau, a land with unique characteristics, is the biggest and highest plateau in the world. It has a complicated and fragile ecological environment which could not be restored once damaged.

It noted that it is the common goal of the whole society of the autonomous region to protect its environment while stepping up economic development.

The Regional Committee for Environmental Protection was founded in 1990 to strengthen governmental leadership over environmental work.

The Central Government of China invested 3.9 million yuan (about 600,000 U.S. dollars) to build an environmental supervision station in the region.

The station has set up three supervision centers on rivers and 27 centers to supervise and survey traffic noise.

According to the survey, the air in Lhasa, capital city of the region, contains less than 0.1 mm of sulfur dioxide per cubic meter, below the state standard. There is no nitrogen oxide in the air. Suspended dust in the air is less than 0.4 mm per cubic meter, said the article.

The supervision and survey in three areas of Dagze County, Lhasa, Lhasa River and Yarlung Zangbo River have proved that the acid-base content, hardness and consumed oxygen by chemicals remain unchanged, the article stressed.

No pollution by heavy metal trace elements such as aluminum, zinc and copper exist in Tibet's rivers.

It said, in order to protect the environment, environmental protection departments of the region have taken a series of measures to strengthen the work.

The construction of numbers of key construction projects in the region such as the Yamdrok Lake hydropower station and an iron mine in Loka Prefecture is made to abide by environmental protection law.

It has removed a garbage dumping ground near the Lhasa River to prevent pollution and set up sewage disposal systems in Lhasa.

The region has announced several regulations and management methods on environmental protection to rely on legal means in the work.

#### **Ethnic Tibetans Constitute Bulk of Tibetan Cadres**

HK1406002093 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0333 GMT 12 Jun 93

[By correspondent Yang Guangzong (2799 0342 1350)]

[Text] Lhasa, 12 Jun (ZHONGGUO XINWEN SHE)—The personnel department of Tibet Autonomous Region today revealed: From the beginning of this year to 10 June, more than 80 Tibetan cadres were appointed to leading posts at the prefectural, city, and county levels in the autonomous region. At present, a cadre contingent with Tibetans as the main body has taken shape in the autonomous region.

In the more than 40 years since the peaceful liberation of Tibet, especially after the beginning of reform and opening, the CPC Committee of the Tibet Autonomous Region and the regional government attached great importance to training and appointing minority nationality cadres, mainly Tibetans, to leading posts. Minority nationality cadres, mainly Tibetan cadres, were sent to study in nationality colleges. Many people were then appointed to key leading posts at all levels. At present, the number of Tibetan and minority nationality cadres has exceeded 40,000, accounting for 69.3 percent of the total cadres in the autonomous region. Professional and technical cadres number more than 17,000. Principal government leaders in the autonomous region, prefectures, and cities are all Tibetan citizens. In the 76 counties of the autonomous region, 75 county magistrates are Tibetans.

### **Tibet Expanding Foreign Economic Exchanges**

OW1306102093 Beijing XINHUA Domestic Service in Chinese 2149 GMT 5 June 93

[By reporter Luobu Ciren (5012 1580 2945 0088)]

[Text] Lhasa, 6 Jun (XINHUA)—The Tibetan Autonomous Region's efforts in recent years to seize the opportunities to accelerate its pace of reform and opening to the outside world have continued to broaden its economic exchanges with foreign countries and regions. At present, a number of Sino-foreign joint ventures have been established here one after another and enterprises jointly operated with partners from the inland can be found everywhere in the region.

To improve its investment environment and develop the economy by taking advantage of the local resources, Tibet has accelerated the construction of a number of priority state projects concerning communications, energy, and agriculture; established an economic committee for coordinating foreign investment and promoting partnership with other parts of the country; and introduced a series of preferential policies and measures for promoting economy.

It has been learned that all these measures have attracted many Chinese and foreign businessmen to come to Tibet to learn about its investment environment. Over the past year or so, entrepreneurs from more than 30 countries and regions—including the United States, Germany, Japan, Singapore, Taiwan, and Hong Kong—have come here to inspect and discuss the establishment of joint ventures and cooperation projects. So far, 14 Sino-foreign joint ventures have been established in Tibet.

Tibet's rich natural resources have enabled it to strengthen its economic ties with the inland provinces and regions. In recent years, Nyingchi Prefecture, which is situated in the densely afforested areas in eastern Tibet, has tried very hard to seek cooperation partners, beginning with extensive processing of timber and comprehensive utilization of forest resources. Presently, over

30 cooperation projects, with a total investment of more than 40 million yuan, are being built or negotiated.

### **'Thousands' Riot in Sichuan Over Taxes**

HK1306021093 Hong Kong SOUTH CHINA SUNDAY MORNING POST in English 13 Jun 93 pp 1, 5

[Report by staff reporters and agencies]

[Text] China confirmed last night thousands of peasants angered by taxes and fees have rioted in Sichuan province. "There were serious incidents of beating, smashing and looting," said Guo Jialong, an official in the Foreign Affairs Office of Sichuan province, China's most populous province.

Mr Guo and his colleagues said in telephone interviews that peasants in Renshou county ran riot over several days, beating officials, blocking traffic, destroying property, burning vehicles and holding a police officer hostage for hours. The worst clashes were on June 3 and June 6, when more than 10,000 people besieged and attacked government offices, threw rocks at paramilitary troops and burned five vehicles.

The Renshou riot is the most serious recent outbreak of unrest to be confirmed by officials, although rumours of strikes and other incidents occasionally circulate among Chinese sources and Western diplomats. Unrest in the countryside, where 80 percent of China's 1.2 billion people live, is one of the worst fears of the Communist Party. While city life has been transformed by the market-style economic reforms of the past few years, peasants are finding it increasingly hard to make a living from the land, especially when faced with rapacious officials who demand greater bribes and fees.

"We must make sure people know that rioting is not allowed," one Sichuan official said, "But we must also root out bribery and corruption."

Officials maintained the Renshou violence was the work of only a few peasants and claimed it was instigated by one ringleader named Xiang Wenqing. "No peasants were injured by the People's Armed Police, who showed restraint," one official insisted. He said police used teargas against the rioters. One seriously injured policeman was still in hospital, the officials said.

They said the situation returned to normal after senior provincial officials, including the province's vice governor, personally intervened.

The incident had its origin last year when the government decided to build Highway 213 through the agricultural county, about 80 km south of the provincial capital Chengdu, and asked its relatively poor residents to help pay for the construction. Some officials took this as an excuse to squeeze the peasants for unreasonable sums of money, it is claimed. Peasant anger exploded in January, only to be calmed down a month later when senior officials visited the county to put an end to the extortion.

The Sichuan officials said that Xiang, the alleged ring-leader, stirred up trouble again during May, manipulating reports in the official press about the January trouble to fan peasant anger. From the last week of May, peasants under Xiang's direction ran riot, they said. Police have arrested Xiang and seven others.

In Hong Kong, leading academic Professor Joseph Cheng Yu-shek, of City Polytechnic, said last night Beijing had for many months feared unrest would erupt among peasants, but failed to persuade local leaders to take preventative measures. "Since the beginning of this year there have been conferences to discuss the situation in rural areas," he said. "The leaders are well aware of the situation but they don't have enough political will to mobilise resources to stop it."

Professor Cheng said the potential for such unrest had been building for some time as grain prices failed to keep up with inflation: "For the past four to five years real incomes for peasants in poorer parts of China have stagnated or declined." But he said the immediate spark for such riots came from corruption, as peasants protested against the failure of greedy officials to pay them for their produce.

Diplomatic sources in Beijing said they were not surprised by the reports and same many more similar incidents could happen unless Beijing took urgent action. "I think this is just the tip of the iceberg," said one. "I'm sure there are a lot more incidents just like this which go unreported. Unless the government takes firm action to control local abuses such incidents will occur again."

Elsewhere, a Guangdong businesswoman has been arrested on suspicion of accepting bribes of more than U.S.\$1 million (HK\$7.7 million). Zeng Lihua is accused of using her position as vice-general manager of an engineering consultancy in Shenzhen to coerce Hong Kong and overseas investors into paying bribes for access to development property.

In a separate incident, Chen Huiyou, mayor of Xiannang in Hubei province, and Yin Chuan-sheng, director of the taxation bureau, were dismissed for cheating the government out of U.S.\$2.1 million.

### **Sichuan Spokesman on Riots**

HK1306070093 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1401 GMT 12 Jun 93

[Text] Chengdu, 12 Jun (ZHONGGUO XINWEN SHE)—This afternoon, the responsible official of the Information Office of the Sichuan Provincial Government summoned a reporter from ZHONGGUO XINWEN SHE and discussed the incidents of beating, smashing, and looting in Sichuan's Renshou County. The content of the talk is as follows:

Renshou County is an agricultural county with a large population in the hilly area of Sichuan Province, mainly producing grain, cotton, cooking oil, and pigs, but the income of the peasants there is rather low. Last year, in

order to develop the economy and change the backward transport conditions, the county decided to rebuild National Road 213. The road project began on 20 November. The first-phase of the project required an investment of 145 million yuan. The province and the city offered a subsidy of 5 million yuan and 50 million yuan in loans were contracted. Local peasants made an investment of 45 million yuan in the form of contributed labor. The county decided to levy an average of 30 yuan on each resident with work ability over a period of two years for the road project, and the money would be collected in two installments. In the course of implementation, some districts and townships increased the amount of levies to 40 or even 50 yuan, and the money was collected once and for all. Peasants found it hard to bear such a burden. As some local cadres worked in an impatient and rude manner, strong reactions were caused among peasants.

In January of this year, Zhang Dean, a peasant of Xiean Township, Xiexian County, on behalf of some peasants, posted texts of the policies and regulations laid down by the party and the government on alleviating peasants' burdens. They also addressed the public, visited the relevant provincial, city, and county departments, held rallies, and made speeches, rallying the masses to resist the excessive levy burdens and to refuse to pay the road-building levies. After the event occurred, the provincial party committee and the provincial government paid close attention to it and dispatched officials to Renshou County to handle the case in February. They affirmed that Zhang Dean was reasonable in giving publicity to the policy about lessening peasants' burdens and calling on people to refuse to pay the road-building levies. They also joined the party committee and government of Renshou County in studying the countermeasure and making the decision on stopping the collection of the levy for rebuilding National Road 213. It was also decided that the money that had been collected would be turned into an investment pool with accrued interest at 7.2 percent, and that the money would be repaid to peasants in a number of years after the road project is completed. At the same time, other burdens on peasants were also resolutely reduced. Local peasants were satisfied with the decision and they set off firecrackers to bid farewell to the work team. Thus, a tense situation began to relax.

Later, the county party committee and the county government adopted resolute measures to implement the "Urgent Circular" issued by the CPC Central Committee General Office and the State Council General Office and the relevant instructions of the provincial authorities and reduce the burdens imposed on local peasants. Fees, fund-raising assignments, and levies exceeding the 5 percent limit set by the state were all frozen. The burdens imposed on local peasants in 1993 were strictly controlled within 5 percent of peasants' average income after agriculture taxes were deducted. The actual amount of total local levies was made known to every peasant household and was to be collected in

two installments. Finally, the burdens actually imposed on peasant households in the whole county accounted for 4.8 percent of the per capita net income of local peasants in the previous year. At the same time, serious measures were taken to rectify cadres' work style. District and township cadres were required to visit peasant households, build close ties with local peasants, do solid work beneficial to them, and help them properly arrange production. In March and April of this year, the situation in the whole county's rural areas became tranquil.

On 10 May, ZHONGGUO XIAOFEIZHE BAO [CHINESE CONSUMERS' POST] carried on its front page two seriously untrue articles entitled "Renshou County of Sichuan Blacked Out Information To and From the Central Authorities, Defied the 'Urgent Circular,' and Continued To Forcefully and Irregularly Imposed Levies on Peasants" and "No One Is Allowed To Defy the Central 'Urgent Circular.'" This once again intensified the contradiction in real life. Some people, headed by Xiang Wenqing, raised excessive demands. They not only required that the rational levies, which accounted for 4.8 percent of local peasant's per capita income, be removed completely, but also required that the "unreasonable burdens" levied from peasants in previous years since the beginning of output contracts be all refunded to peasants. Then they provoked a beating, smashing, and looting incident. County, district, and township cadres attempted to dissuade these people from such an action, but failed. When the event developed, some people even stormed the district and township governments and schools, beat up cadres and teachers, smashed public and private property, and illegally detained grass-roots cadres and public security personnel.

The above-mentioned actions taken by Xiang Wenqing and a small number of people seriously violated Articles 143 and 159 of the PRC Criminal Law. In order to maintain law and order, the public security organ detained Xiang and other people for investigation according to the legal procedures. In the course of detaining and investigating Wu Shuqun, a resident of Youcao Village of Huafang Township, the law enforcement personnel were obstructed by Wu's husband. Wu's relatives and fellow villagers took some policemen on duty as hostages and demanded that Wu Shuqun be released. At that time, more and more on-lookers gathered, and more than 50 policemen on duty were encircled and held up on a road. In order to prevent the worsening of the event, the police dispatched a reinforcement of more than 130 unarmed policemen to the scene, trying to rescue their colleagues from the siege. However, as it was a market fair day, many peasants passed by the scene and the number of onlookers increased to nearly 10,000. A small number of people threw stones at policemen and public security officers. The armed police force was forced to fire a small quantity of tear gas in order to disperse the crowd and rescue the policemen. After that succeeded, the police troops rapidly withdrew from the scene. After the policemen left, a small number of lawbreakers set fire to five vehicles, including two police vehicles and three civilian vehicles.

The Sichuan Provincial CPC Committee and the Sichuan Provincial Government paid close attention to the serious incident of beating, smashing, and looting occurring in Fujia Town of Renshou County. A work team headed by Deputy Secretary Guo Jinlong of the provincial party committee and Vice Governor Zhang Zhongwei of the province arrived in Renshou County to carry out the work of mediation and persuasion. They required local cadres to strictly distinguish and correctly handle two different types of contradictions, attach great importance to peasants' reasonable demands, conscientiously deal with the unreasonable burdens imposed on peasants, and change their style of work. They criticized some grass-roots cadres who treated peasants rudely and behaved in an improper manner in their work. They also took disciplinary action against a small number of corrupt cadres and those who violated discipline or broke laws. At the same time, strong work teams were organized and dispatched to the countryside to help rapidly restore the normal social order for work, production, and life in districts, townships, and villages and to help the masses develop production. They did solid work to seek benefit for the masses, listened to their opinions, and did organizational and persuasive work among grass-roots cadres and the masses.

In the course of handling the incident, none of the local peasants was hurt. Normal public order was restored on 7 June in Fujia Town and Huafang Township.

#### Security Ministry Bans Illegal Fee Collection

OW1306034493 Beijing XINHUA Domestic Service in Chinese 0327 GMT 11 Jun 93

[Text] Beijing, 11 Jun (XINHUA)—The Ministry of Public Security recently explicitly ordered localities to resolutely forbid public security organs at all levels and the broad ranks of policemen to arbitrarily collect fees, fines, and other charges and to forbid them from handling matters illegally or beyond their authority.

In a briefing today to the press circles in Beijing, Public Security Vice Minister Jiang Xianjin said: Since the end of 1992, public security organs and a few policemen in some localities—influenced by society's "money-oriented" ideology and driven by economic benefits—have disobeyed rules, defied prohibitions, and collected fees and fines illegally. As a result, the once-suppressed problem of illegally collecting fees, fines, and other charges has resurfaced, reaching rather serious proportions in some localities. It is mainly reflected in the following instances: Some have raised fees and fines without authorization and collected additional fees at different levels. Furthermore, the amount of additional fees collected is on the rise. Some have arbitrarily collected fees under all sorts of pretexts, while others have illegally set up roadblocks on some highways and major state highways to willfully stop vehicles in order to conduct inspections and collect fines in the name of antimuggling operations. Some have assigned quotas to various levels and replaced punishments with fines.

Occasional cases involving the covert apportionment of expenses have seriously tarnished the reputation of public security organs and have undermined the relations between policemen and the people. Meanwhile, some local governments have asked public security organs to "stand on their own feet" and have even assigned "revenue quotas," "fines quotas," and so on.

Jiang Xianjin said: To put a stop to the unhealthy practice of illegally collecting fees, fines, and other charges, the Public Security Ministry recently set forth a series of measures and demands in a circular in which it reiterated its intention to resolutely ban public security organs from illegally collecting fees, fines, and other charges. According to these measures and demands, public security organs must collect fines strictly within the limits of their authority and without exceeding the scope and standards as prescribed in relevant state laws, rules, and regulations. They must issue appropriate legal documents or receipts with unified codes devised by finance departments at or above the provincial level, and they are strictly forbidden to overstep their authority, expand the scope, and raise the standards. Without the approval of finance and commodity price departments at the central, provincial, autonomous regional, and municipal levels, all items and standards for collecting fees will be abolished. It is not allowed to assign unauthorized quotas or tasks for collecting fines under any pretexts, and all assigned quotas will be abolished. It is strictly forbidden to illegally set up roadblocks on highways and state highways in urban and rural areas, to willfully stop vehicles to conduct inspections or impose fines, and to aggressively peddle communications equipment and other goods. It is necessary to handle criminal and public security cases in strict accordance with the law, and it is strictly forbidden to collect fees for filing or handling the cases, to demand free meals and gifts, to refuse to handle the cases, or even to extort money. The apportionment of expenses, both overt and covert, is not allowed under any pretext.

In the circular, the Public Security Ministry urges public security organs at all levels not to solve their problems by collecting fees and fines—much less collect fees, fines, and other charges in violation of the law and discipline—no matter how financially strapped they are in handling cases or performing their official duties. Moreover, local party committees and governments should be unequivocally advised that public security organs cannot violate the law and overstep their authority by handling matters that fall outside the realm of police duties.

### **Bomb Threat Prompts Beijing Railway Station Closure**

*HK1306041493 Hong Kong MING PAO in Chinese 13 Jun 93 p 24*

[Text] Beijing Railway Station was closed for some time yesterday morning due to a bomb threat, with large

number of armed police forces strictly searching passengers arriving at or leaving the railway station, according to a Beijing source.

An eyewitness said that the incident took place at around 0700 when a large number of armed police forces and servicemen suddenly appeared at the railway station square and lined the sidewalks to either side of the square in single file, while policemen with police dogs were examining passengers' luggage. The action ended at around 0900, and the specifics remain unknown.

### **Zhang Siqing Stresses Strict Law Enforcement**

*OW1306174293 Beijing XINHUA in English 1513 GMT 13 Jun 93*

[Text] Beijing, June 13 (XINHUA)—Zhang Siqing, procurator-general of China's Supreme People's Procuratorate, urged procuratorial organs at all levels to strictly enforce the law while serving economic construction.

Zhang made the remark here today at the close meeting of a five-day conference attended by provincial procurators.

He pointed out that some laws have not been strictly enforced and some law-breakers have not brought to book, citing cases such as taking fines for criminal sanctions, overstepping power and local protectionism in law enforcement. These have led to the weakening of crackdown on crime and damaging of the dignity of law, he said.

He said that provincial procurators should personally handle several most influential cases within the year.

Liang Guoqing, deputy procurator-general, said that dealing with embezzlement and bribery is a focused task of procuratorial organs now and for quite a long time in the future.

According to statistics of the Supreme People's Procuratorate, in the first four months, procuratorates all over the country handled 13,729 cases involving embezzlement and taking bribes. Of these, 4,570 cases have been wound up, recovering a total of 158 million yuan.

Of the cases, 15 involve at least one million yuan each. Altogether 60 officials above county level and one at provincial level were involved.

Liang said that effective measures should be adopted to encourage people to report on such cases. As some cases involve different provinces and cities, procuratorial organs should work together in doing investigation.

**Measures to 'Severely Punish' Illegal Emigration**

HK1406001893 Hong Kong WEN WEI PO in Chinese  
28 May 93 p 2

[Dispatch by staff reporter Chen Chien-ping (7115 1696 1627): "China Severely Punishes the Criminal Activity of Sneaking Out of the Country"]

[Text] Beijing, 27 Jun (WEN WEI PO)—Sources here disclosed that since 1992 there has been a growing trend of people sneaking out of the country with purchased false foreign passports. The state's public security departments have adopted measures to severely punish such criminal activity.

The sources said that in Beijing's Shoudu Airport alone, some 140 cases of people trying to sneak out of the country with false passports have been cracked since 1992, involving 338 persons. In the same period, 74 cases involving 259 persons who had sneaked out of the country with false passports and been repatriated by foreign countries have been handled. Most of the people who sneaked out of the country are from the southeast coastal areas. Of them, 44 percent are from Zhejiang Province, 42 percent from Fujian, and 12 percent from other provinces and cities. People from Hong Kong, Macao, and Taiwan and foreign passport holders make up 2 percent. More than 90 percent of the people who sneaked out of the country are peasants and self-employed businessmen.

The sources said: At present, the groups specially organized to help people sneak out of the country have been growing. Having very close relations with lawless persons outside the borders, they established separated points to assist people in sneaking out of the country. According to their division of work, some are responsible for looking for people who intend to sneak out of the country, some are responsible for collecting and forging false papers, and some are responsible for leading people across the borders. Investigations reveal that these organizations have charged 50,000 yuan or a maximum of \$20,000 for each false passport. Those who wanted to be led by these organizations when crossing the borders had to pay 100,000 to 200,000 yuan.

According to the sources, the Ministry of Public Security has demanded that public security organs in various areas coordinate with one another and deal heavy blows to this criminal activity. Management over both the issuance and withdrawal of documents for exiting the country should be strengthened so that incidents of reselling and forging false certificates can be prevented. At the same time, it is necessary to strengthen propaganda among the masses on the laws and regulations on exit management. Besides, it is necessary to perfect the relevant laws and regulations and increase punishment on the criminal activity of sneaking out of the country so it can be effectively curbed.

**'Conservatives' Suspected of Inciting 'Activists'**

HK1306030593 Hong Kong MING PAO in Chinese 12  
Jun 93 p 7

["Dispatch from Shanghai" by Chin Ping (5367 0393): "Shanghai Democratic Activist Yang Zhou Suspects That the Conservative Faction Is Inciting People To Radical Actions With a View to Irritating the Authorities"]

[Text] Yang Zhou, a democratic activist in Shanghai, points out that a series of suppressive operations recently launched by the Shanghai authorities against democratic activists, that will intensify conflict between the two sides, are contrary to the "persuading, dividing and disintegrating" principle toward democratic activists set forth by the municipality's government earlier this year. Yang is afraid that behind this development is a political conspiracy thought up by the conservative faction. Therefore he strongly urges those democratic activists who are not involved to remain calm and not to take any further radical action, lest such actions should land the reform faction in an awkward position.

Yang Zhou noted that the democratic movement has been following the right track of open and legal operation, but in the eyes of the conservatives, it is still a thorn in their flesh. He suspects that some people are manipulating a plot behind the scenes, inciting some impatient members of the democratic camp to radical action with a view to intensifying conflict, further magnifying the scale of confrontation, making the situation still more complicated, and thus dealing blows at the reform faction.

Yang Zhou pointed out: During a function held by the Democratic Salon in Shanghai's Fuxing Park last year, for example, a speaker aired some radical views, probably with the ulterior motive of inciting the audience. Yang frankly criticized that speaker during the function, and that person has not shown up any more since then. But recently that person has been found to be an active participant in gatherings organized by another group of Shanghai democratic activists at Xiangyang Park. During the above-mentioned function, some people put forth some radical proposals that were unacceptable to all factions.

At the moment, a few democratic activists are still in custody, among whom is Wang Miaogen [3769 8693 2704], who was earlier sent to a psychiatric hospital. Gao Xiaoliang [7559 2556 0081], Yao Tiansheng [1202 1131 3932], and Han Lide [7281 4539 1795] were arrested late last month; a few people were summoned and interrogated on the eve of and on 4 June; Zhang Xianliang [1728 0341 2856] was arrested last week; and four other dissidents, including Wang Yonggang [3769 3279 0474], Yang Jingheng [2799 7234 1854], and Gong Junan [7895 1446 0589], were detained for one night because they staged a hunger strike in front of the police station in support of Zhang Xianliang.

**Fang Lizhi Not To Attend Hong Kong Seminar***HK1106145793 Hong Kong MING PAO in Chinese 11 Jun 93 p 3*

[Special dispatch: "Fang Lizhi Cannot Attend a Hong Kong International Academic Seminar Because of Pressure"]

[Text] Professor Fang Lizhi, China's famous dissident scholar, who was scheduled to attend an international academic conference in Hong Kong in December, said that because of the pressure by China on relevant academic bodies, he has given up the right to attend the conference so that his colleagues in Hong Kong will not be cornered. He stressed that such an incident violates the principle of free academic exchanges.

When interviewed by a reporter from this newspaper, Professor Yu Hsin, director of the department of applied mathematics of Hong Kong Polytechnic, who is responsible for making preparations for the international conference, confirmed that Fang Lizhi would not attend the conference. He said: Some people did believe that Fang's presence could stir up trouble in such a sensitive place as Hong Kong and at such a sensitive time. But the incident did not result from China's pressure on us.

Yu Hsin said: Judging from the perspective of academic exchanges, it is regrettable that Fang Lizhi, as a famous astrophysicist, was unable to attend the conference. But as far as the organizational work is concerned, since Professor Fang's attendance may stir up trouble, we would rather make sure that the conference will proceed without a hitch without Fang. Professor Fang's absence is nothing serious, because another international academic conference will be held in the United States. I hope Professor Fang will attend that conference.

The conference to be held in Hong Kong was sponsored by an international committee comprising scientists from many countries. Professor Ruffini was appointed chairman of the committee. The first conference was held in Rome in 1990, when the committee agreed that the second conference would be held in Hong Kong late this year. Professor Yu Hsin was entrusted with the task of making preparations for the conference.

Professor Fang Lizhi, when interviewed in Canada by a reporter of this newspaper's Canada edition, quoted Professor Yu Hsin as telling him: "You had better not come to Hong Kong. If you come, we can succeed in nothing." He also quoted Professor Yu as saying that "this is due to political reasons."

During an interview with our reporter yesterday, Professor Yu Hsin bluntly denied the above remarks. He said that in May there were remarks indicating that Professor Fang Lizhi would not be able to attend the December meeting. As chairman of the Hong Kong committee, he sent a letter to Professor Fang asking him if he would not be able to attend the meeting due to certain reasons. Subsequently, on 6 June, Professor Fang

sent a letter directly to Professor Ruffini, chairman of the International Organizing Committee, giving up his intention of attending this meeting. Professor Yu Hsin himself also obtained a copy of the letter.

Yu Hsin said that he did not have any direct talks with Professor Fang, adding that the only communication was a letter for him asking him if he would attend the meeting.

Our reporter read Professor Fang's letter of 6 June and understood it this way: As an organizing member, he should attend this meeting, but out of consideration for his colleagues in Hong Kong, he decided to give up the right to attend the meeting.

This decision is based on his understanding of the local organizers of the meeting and does not suggest any change in his attitude toward academic exchanges, the letter says.

Scientists have the right to attend meetings, the letter continues, adding that by making such a decision he hopes the organ of power will understand that this violates the principle of free academic exchanges.

Professor Yu Hsin said that he did not feel strange that Professor Fang Lizhi will not attend this meeting. Taking account of all factors, Mr. Fang will not attend the meeting to allow it to proceed smoothly.

Hong Kong organizing members of the meeting include the dean of the Physics Department of Hong Kong University, the dean of the Mathematics Department of Chinese University, the dean of the Science Faculty of Baptist College, and the dean of the Applied Science Department of Hong Kong City Polytechnic.

Except Mr. Yang, a representative from the City Polytechnic, all the others were not in Hong Kong yesterday.

Mr. Yang said he did not know the details of this matter, but the present Hong Kong environment is sensitive, so he hoped that an academic exchange will not involve any other factors; there was an academic seminar in Sweden many years ago, but the Soviet representatives could not attend for political reasons. He expressed regret over this.

**RENMIN RIBAO 45th Anniversary Editorial***OW1406170293 Beijing XINHUA Domestic Service in Chinese 1358 GMT 14 Jun 93*

["Text" of RENMIN RIBAO 15 June editorial: "Serve the People, Serve Socialism—Marking the 45th Founding Anniversary of Our Paper"]

[Text] Beijing, 14 Jun (XINHUA)—Today our paper marks its 45th founding anniversary. Up to now RENMIN RIBAO has published 16,411 editions. This period of over 16,400 days is a period in which profound changes have taken place in the history of contemporary China, and a period replete with arduous explorations.

During the course when the party led the people of all nationalities in the country to found the People's Republic and to work hard for the Republic's prosperity, RENMIN RIBAO, as an organ of the CPC Central Committee, has played its proper role. During this 45-year period, the CPC Central Committee, state organs, local party and government institutions at all levels, the vast number of party members, and people throughout the country have expressed their cordial care and energetic support for RENMIN RIBAO. Each and every success and progress RENMIN RIBAO has achieved embodies the wisdom and creativity of all party institutions and the vast number of people. We are forever grateful for this care and support.

While being the organ of the CPC Central Committee, RENMIN RIBAO is also the organ of people of all nationalities in the country. It is one of the major media by which the vast number of cadres and people understand the guidelines of the party Central Committee, and it is also an important "window" through which the outside world observes and understands China. As for the Chinese nation, the period we are now in is an extremely important and crucial one in which we have to achieve the great, century-long historical objective of revitalizing China and to deal with the many very significant but thorny historical problems. Under the new situation, RENMIN RIBAO, upholding Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and with the party's basic lines as its fundamental guidance, has supported the call for seizing opportunities to deepen reform and focus our efforts on boosting the economy; provided proper guidance for and supervision over the work of building a stronger party, promoting material and spiritual construction, and intensifying democratic and legislative construction; provided socialist constructors on all fronts with new information and new experiences; warmly praised the advanced personages who have contributed remarkably to reform, opening up, and socialist construction; and done its utmost to promote friendship and cooperation between Chinese people and people the world over. Recently, in connection with our paper's 45th founding anniversary, party and state leaders have written messages to congratulate and encourage us, and the vast number of our readers have also given us their warm encouragement. Each and every worker at RENMIN RIBAO has been immensely inspired. We will cherish the trust from the party and the people and, with the spirit of holding ourselves highly responsible to the party and the people, bravely bear the burdens on our shoulders.

Comrade Jiang Zemin has pointed out that all socialist journalistic services should serve the people and socialism. This basic policy embodies the fine traditions of the party's journalistic work and reflects the heartfelt wishes of the vast number of people. Facing a new situation and new assignments, RENMIN RIBAO will always follow this course, and it will actively and steadily push journalistic reform forward. RENMIN RIBAO's

guiding role was shaped by history, and this role reflects the party's leadership over the state through public opinion. Propagating the party's theories, lines, principles, and policies comprehensively and accurately in a timely manner as well as providing proper guidance are in the fundamental interests of the party and the people. Playing a stronger guiding role, becoming even more authoritative, and increasing our readability will still be the course of our efforts. While we will pay attention to making up our insufficiencies, we will become even more attentive to amplifying our strengths, and we will make efforts to improve the quality of our commentaries, theoretical discussions, in-depth reports, and reportage of major news. We will continue to broaden the sources of information, increase the volume of information, improve the quality of information, and properly handle headline news as well as short, on-the-spot news reports. We will make every effort to make RENMIN RIBAO a colorful and lively newspaper which our readers find readable, trustworthy, and approachable, as well as a correctly-oriented and substantially rich paper the masses like to read.

As a party enterprise, RENMIN RIBAO must conform to the needs of the party; but since RENMIN RIBAO is also a newspaper, its operations and development must follow the laws of a market economy. If a newspaper attaches no importance to economic results, it cannot possibly have the vitality for self-development. However, attending to economic results is for the purpose of amplifying and achieving our social results [she hui xiao yi 4357 2585 2400 4135] more effectively. This being the case, we insist on giving top priority to social results and strive to provide our readers with spiritual food of high quality and work with the vast number of journalists to dedicate ourselves to building a strong, democratic, and civilized socialist China.

Over the past 45 years, one generation of RENMIN RIBAO workers after another have loyally served the motherland and the people. Maintaining close ties with the masses, they have worked diligently with their pens and performed their duties honestly. Their performance and spirit will go down in the history of journalism forever. We wish to express our profound respect for them. We must inherit and carry forward the fine traditions and workstyle of these party paper workers, intensify our efforts to promote journalistic ethics, and boycott and reject all sorts of conduct which jeopardizes the socialist journalistic cause. We welcome supervision from people in all social circles.

RENMIN RIBAO has a memorable past; we have rich and profound historical experiences—both positive and negative; and above all, we have a future worth pursuing. Recently the party Central Committee demanded that we make RENMIN RIBAO the most authoritative domestic paper, a paper with significant influence around the world, and a paper with top-rate reports, top-rate editing, top-rate equipment, top-rate journalists, and top-rate operations. This is the objective we will strive to achieve. Under the leadership of the party

Central Committee with Comrade Jiang Zemin as the core and with the support of the vast number of readers in all localities and all departments, we believe we can achieve this objective by working hard; we believe we can make RENMIN RIBAO an even more lively and vital paper which people love; and we also believe we can mobilize, guide, rally, and encourage the people to work hard in building socialism with Chinese characteristics!

### Commentator Discusses 'Pioneering Spirit,' Part 5

HK0906151893 Beijing GUANGMING RIBAO in Chinese 27 May 93 p 1

[Commentator's article: "Be Modest and Prudent, Guard Against Arrogance and Rashness—Fifth Discussion on Carrying Forward the Great Pioneering Spirit of the New Period"; the first and second "discussions" in this series were published in the Political & Social section of the 14 May China DAILY REPORT, pages 16 and 17; the third "discussion" was published in the Political & Social section of the 26 May China DAILY REPORT, page 25; and the fourth "discussion" was published in the Political & Social section of the 27 May China DAILY REPORT, pages 24 and 25]

[Text] "Modesty helps one to go forward, whereas conceit causes one to lag behind." Very few people have ever mentioned this famous dictum in recent years. Does this mean that in the years of reform and opening up, and in the course of developing the socialist market economy, it has become outdated and lost its value as a truth? Of course we cannot think so. Practice shows that being modest and prudent and guarding against arrogance and rashness is not only an ideological accomplishment of the vast numbers of Communist Party members and leading cadres at various levels, but also a style of thinking and pioneering spirit of the modernization builders in the new period. In a particular sense, it is a reliable guarantee for the prosperity and continuous development of our cause.

Modesty is an expression of seeking truth from facts, whereas conceit is an expression of subjectivism. Anyone who endeavors to seek truth from facts always takes an attitude of one dividing into two toward himself and toward his cause. Therefore, he is always modest. On the contrary, those who have become complacent and self-satisfied with the small achievements they have made, or have even become extremely arrogant thinking they are "the wisest people under heaven," have actually discarded the spirit of seeking truth from facts, though they might have had faith in this spirit in the past. We must realize that the cause we are undertaking today is a pioneering cause and our practice is a creative one. Generally speaking, so long as we conscientiously implement the party's line, policies, and principles and firmly believe and rely on the broad masses of people in such practices, and so long as we work in a down-to-earth manner and take practical measures, we can make some achievements and can hear these achievements praised somewhat. The problem now is that while recognizing

our achievements, we must not fail to see our deficiencies and, amid the sound of praise, we must not fail to see our shortcomings. We must realize that the achievements we have made are the result of the unity and struggle of the broad masses of people. Only thus can we always remain clear-headed and continue to make greater achievements.

Rashness is a big enemy of the spirit of seeking truth from facts and also a big enemy of our pioneering cause in the new period. In our practical life, no one has ever succeeded or resolved any difficult problems, by giving way to rashness. In the past, rashness adversely affected our work and caused us to suffer a great deal. In recent years, some phenomena have appeared in certain areas, such as being eager to establish development zones, being impatient in developing the real estate business, and neglecting agriculture and education. These have also made us suffer. Some people are trying to shake off poverty overnight at one stroke. For this reason, they have started construction projects blindly, mechanically copied others' experiences, "followed the fashion," and taken some short-term actions. All these have their source in the word "rashness." Once one is impatient, one forgets the reality and is thrown into confusion. Once one is impatient, one will be at a loss, not even knowing what should be and could be done and what should not and could not be done. Has this not happened in a small number of areas, departments, and units, and among some leading cadres? In his later years, Lenin repeatedly emphasized the following viewpoint: Rashness is the most harmful thing to socialist construction because it causes people to lose their senses. For this reason, he vigorously advocated the principle of "making up the clothes after measuring seven times." We can say that Lenin's teachings in those years are still of practical significance today.

Do we not need a sense of urgency in reform and opening up when we are striving to push our economy onto a new stage? Yes, we do. Without doubt, we must seize the current favorable opportunity and accelerate our pace of reform, opening up, and economic construction. However, having a sense of urgency does not mean being impatient in doing things or doing things blindly and disorderly. On the contrary, the stronger the sense of urgency, the more it is demanded of us to do things prudently, to respect the objective laws, to proceed from the reality, and seek truth from facts under all circumstances. Only in this way can we really seize the current opportune time and make good use of it to speed up our development. Therefore, when we are accelerating our pace of reform, opening up, and economic construction today, we must stress the following remark by Comrade Mao Zedong: What we need is an enthusiastic but calm state of mind and intense but orderly work.

Fifteen years have passed since reform and opening up. Over the past 15 years, we have achieved great successes attracting worldwide attention. However, we must also clearly see that, compared with the magnificent prospects depicted by the 14th CPC National Congress and

the last two steps of strategic objective put forward by Comrade Deng Xiaoping, there is still a long way to go. There is still a wide gap between our economic strength and that of the developed Western countries. Our tasks are heavy and the road is long. We must continue to develop the style of being modest and prudent and guarding against arrogance and rashness and the style of hard struggle. The great cause of the four modernizations has not yet been successful. Our comrades still need to struggle hard.

#### **Officials Urged To Stay for 'Important' Meetings**

HK1406050093 Hong Kong MING PAO in Chinese 14 Jun 93 p 7

[Report by special correspondent Chu Hung (2612 5725): "Central Authorities Call on Senior Cadres To Stay in Beijing To Discuss Economic Measures and Cope With Major Issues at Any Time"]

[Text] Top-level authorities in Beijing recently decided that senior officials in charge of central and government departments, especially the "three vice chairmen"—vice president of the state, National People's Congress [NPC] vice chairmen, and vice premiers of the State Council—should reduce their trips to other places and remain in Beijing if there is no particular need for them to leave the municipality. It was learned that the reasons for implementing this measure are: The CPC Central Committee and various government departments will hold a series of important meetings in the near future to discuss economic measures, and once there are important events and activities, the senior government officials can make timely arrangements.

Informed sources revealed that in accordance with a Political Bureau decision, the General Office of the CPC Central Committee recently demanded that officials in charge of various central and government departments stay in Beijing for a period to come. If there is no particular need to leave Beijing and there is no approval from the Political Bureau, no vice president of the state, vice chairmen of the Central Military Commission and Chinese People's Political Consultative Conference [CPPCC], NPC vice chairmen, and vice premiers of the State Council should leave Beijing.

Sources from Beijing said that if past practice was being followed, many top-level leaders of the CPC Central Committee, government, the NPC, and the CPPCC would have left Beijing at this time to carry out inspections in various areas so that they could keep abreast of the development of work in the first half of the year. Some may have gone to the cooler areas to spend their summer holidays. This year, however, they have been told to cancel such activities, at least in June and July.

The sources said the central authorities believe that under the current economic situation, if the senior officials of the Central Committee and the state carry out their activities in various areas or spend their summer holidays in some cooler places, they may create a bad

impression both at home and abroad. Moreover, various localities may take advantage of the opportunity of making arrangements for their stay to demand special consideration for their loans or to ask for instructions from the senior officials, and this may affect the unified arrangements of the central authorities.

What is more important, the central authorities will reassess the country's overall economic situation in the near future and present methods to deal with the situation. It is necessary to unify the people's understanding beforehand, and before that to unify the understanding of the senior officials of various central and state organs. The reassessment will have a direct influence on the orientation of economic and political development in the second half of this year and the next year.

The sources continued: Another meaning of the central authorities' decision is that once there are important changes and activities in Beijing, the top central leaders may make proper and timely arrangements.

Various state organs and departments have been told to hold a series of meetings to ascertain the real situation of economic work and existing problems in their respective spheres and departments, especially in the use of funds. They have also been charged to report the relevant situations to the central authorities. At the same time, senior officials of various departments are not allowed to make open speeches on concrete economic problems in the current stage. They can do so only after the central authorities have been informed of the situation and have made unified arrangements for giving the account.

The informed sources stressed that the recent forum of economists, which was sponsored by the State Council's Economic Development Research Center, was very important. The forum was held in Yuquanshan in Beijing's western suburbs and lasted several days. It disclosed many problems in economic development, especially the state's financial situation and the monetary figures provided by the banks, which alerted the central authorities. The report of the meeting was first submitted to Zhu Rongji, executive vice premier of the State Council, and then circulated among the Political Bureau members. President Jiang Zemin required that the materials of the report should be submitted to the central authorities as soon as possible so that the country's real situation and economic problems and the places where economic development is "overheated" can be found out as soon as possible.

Sources pointed out that at the beginning of this year, based on the developments of past years, the central financial departments were originally very optimistic about the financial situation and proposed many measures for expanding reform of the financial institutions this year. However, the information feedback from various localities showed that the state's financial situation was grim—more than 50 percent of the professional banks were suffering losses in the issuance of loans. Moreover, the speed of most provinces' introduction of

foreign funds was much slower than in previous years. This made the top central leaders feel that a thorough investigation of the nation's economic situation is needed so that blindness in carrying out objectives can be avoided.

### **Hu Jintao Discusses Promoting Minority Cadres**

*OW1106141893 Beijing XINHUA Domestic Service in Chinese 0956 GMT 8 Jun 93*

[By Central People's Broadcasting Station reporter Liu Zhenying (0491 2182 5391), RENMIN RIBAO reporter Chen Weiwei (7115 4850 0251), and XINHUA reporter Zheng Qingdong (6774 1987 2639); Beijing XINHUA Domestic Service in Chinese at 1116 GMT on 8 June transmits a service message canceling the following item and asking that it be replaced with another version; the difference between the two items is noted in a bracketed editorial note]

[Text] Beijing, 8 Jun (XINHUA)—During a discussion with delegates attending the national forum on training and promoting minority nationality cadres at Zhongnanhai's Huarentang Hall this morning, Hu Jintao, Standing Committee member of the CPC Central Committee Political Bureau and member of the CPC Central Committee Secretariat, stressed: Training and promoting minority nationality cadres concerns the general interest of attaining China's modernization goal, correctly settling nationality issues, and achieving social stability and the nation's long-term political stability. It is a major task of strategic significance. We must pay close attention to it and take effective measures to make new progress and new achievements in this area. [The 8 June 1116 GMT variant version reads: ...in this area. [new paragraph]]

At today's forum, Ma Qingsheng, Standing Committee member of the Guangxi Zhuang autonomous regional party committee and director of the propaganda department; Guo Ziming, deputy director of the organization department of the Inner Mongolian autonomous regional party committee; Guo Zhenxing, deputy director of the united front work department of the Jilin provincial party committee; Chen Wenguang, executive deputy director of the organization department of the Sichuan provincial party committee; Shi Yuzhen, vice chairman of the Hunan provincial committee of the Chinese People's Political Consultative Conference [CPPCC] and director of the provincial nationality affairs commission; and Wang Baoliang, deputy director of the united front work department of the Beijing municipal party committee, spoke one after another, briefing the forum on their experience in training minority nationality cadres and on issues that require urgent solutions. [new paragraph]

Upon hearing the remarks by the delegates, Hu Jintao spoke. (adding additional material) In his speech, Hu Jintao reviewed the history of our party in correctly resolving China's nationality issues and in training

minority national cadres in the course of leading the revolution and construction. He then pointed out: As long as there are nationalities, there will be nationality issues. Only by properly resolving them can we push forward the historical development of society in a sound manner. He said: China is a large country with many nationalities, and the nationality issues left over from history are extremely complicated. However, not only has our party successfully led China's revolution and construction, it has also scored major, universally recognized achievements in dealing with its nationality issues. Our party has been able to integrate basic Marxist tenets with China's reality; enact and implement a correct line, principles, and policies; and find and adhere to democratic revolutionary and socialist roads with Chinese characteristics. In addition, it has been able to use Marxist theory on nationality as a guide to creatively draw up a nationality policy suitable to China's national condition and implement a system of regional autonomy with Chinese characteristics. Further, it has vigorously trained groups upon groups and generations upon generations of minority nationality cadres who firmly implement the party's line, principles, and policies and share a common fate with the entire Chinese nation. This is the fundamental reason why the cause of our national unity and progress continues to advance.

Hu Jintao emphatically pointed out: Our objective during the new period is to build China—a large, multinational socialist country—into a prosperous, democratic, and civilized socialist country. The revitalization of the Chinese nation cannot be achieved without the revitalization of its minority nationalities; if minority nationality regions fail to achieve a relatively comfortable standard of living, neither will the rest of the country. Today, most areas inhabited by minority nationality people are economically underdeveloped. However, these areas are rich in natural resources and thus have enormous potential for development. Accelerating reform and development of these areas depends on the party's correct policies and assistance from other parts of the country, but more importantly on the vast number of local minority cadres leading people of various nationalities in working hard to achieve revitalization through self-reliance. In a sense, sustained efforts to train a contingent of minority nationality cadres who can meet the demands of the new situation and tasks, resolutely safeguard China's unification and national unity, and maintain close ties with the masses and receive their trust is the key to developing minority nationality regions faster and better.

Speaking of work in the future, Hu Jintao pointed out: Vigorously training and promoting minority nationality cadres is a consistent policy of the party, an important element of the party's nationality policy, and an important part of the party's cadre work. In the new situation, the general requirements for our nationality cadre work are: Profoundly implement the guidelines of the 14th national party congress; uphold the policy of making the ranks of cadres more revolutionary, younger in average

age, better educated, and professionally more competent; uphold the principle of promoting cadres having both ability and political integrity; adhere to the cadre line of appointing people on their merits; proceeding from the reality in minority nationality areas, deepen reform, perfect systems, improve methods, and work hard to create a fine environment conducive to the healthy growth of minority nationality cadres and the display of their talents; and raise the work of training and promoting minority nationality cadres to a new level.

He demanded: While continuing to increase the number of minority nationality cadres, vigorous efforts should be made to raise their standards in order to meet the needs of development and the succession of the new cadres to the old. Earnest efforts should be made to strengthen the training and selection of high-ranking cadres from among the minority nationality cadres. While basing our work on the present situation, we should keep our eyes on the future by consciously selecting a group of outstanding young and middle-aged cadres for concentrated training and by boldly promoting them to higher leading posts when conditions are ripe. We must strengthen the building of the ranks of cadres at the grass-roots village and town levels in minority regions. We must be resolved to expand the sources where grass-roots cadres of minority nationalities can be selected. We must firmly cultivate the thinking that "minority nationalities cannot do without the Han nationality and the Han nationality cannot do without minority nationalities," strengthen unity and cooperation between minority nationality cadres and Han cadres, and continue to carry forward the fine practice of mutual respect and learning from each other to achieve common progress. Leading cadres at all levels should take the lead in strengthening unity.

Hu Jintao emphatically concluded: We must strengthen leadership and vigorously implement policies through the cooperation of all quarters. Party committees at all levels and all departments concerned should earnestly carry out the work of training and promoting minority nationality cadres, strengthen investigation and research, draw up plans, and successfully accomplish the task with persistence and in a down-to-earth manner.

Attending the forum were Ismail Amat, state councillor and minister in charge of the State Nationalities Affairs Commission; Wang Zhaoguo, vice chairman of the CPPCC National Committee and director of the United Front Work Department of the CPC Central Committee; Lu Feng, director of the Organizational Department of the CPC Central Committee; and responsible persons of departments concerned, including Meng Liankun, Li Deshu, Zhao Yannian, Li Tielin, Jiang Jiafu, and Jiang Zhenyun.

#### **Minister Doje Cering on Villagers' Autonomy**

OW1106130293 Beijing XINHUA Domestic Service in Chinese 2119 GMT 29 May 93

[Interview with Civil Affairs Minister Doje Cering by XINHUA reporter; place and date not given]

[Text] Beijing, 30 May (XINHUA)—This reporter recently interviewed Civil Affairs Minister Doje Cering on the implementation of the "PRC Organic Law for Villagers' Committees (for Trial Implementation)," which came into effect on 1 June five years ago.

[XINHUA] The "Organic Law for Villagers' Committees" has been implemented on a trial basis for five years. Would you please comment on its implementation?

[Doje Cering] The implementation of the "Organic Law for Villagers' Committees" in the country over the past five years has by and large gone through these three periods: The period from June 1988 through August 1990, during which the assignments for local authorities were primarily ones of studying and publicizing the organic law as well as carrying out pilot projects at selected villages; the period from August 1990 through December 1991, during which the main tasks were to sum up experiences gained from the pilot projects and to make plans for demonstrating to villagers to achieve autonomy; and the period from 1992 until now, during which experiences gained from villagers' autonomy were propagated, the autonomous systems were systematically improved, and autonomous systems were further demonstrated. Currently, people's congress standing committees of 22 provinces, autonomous regions, and municipalities directly under the central government's jurisdiction in the country have formulated "Measures for Implementing the Organic Law for Villagers' Committees," and members of 1 million villagers committees across the country have been reelected according to law.

[XINHUA] In the process of implementing the "Organic Law for Villagers' Committees," are there any projects that have expedited villagers' autonomy?

[Doje] There are three: 1) The direct, lawful elections of cadres of villagers' committees; 2) the formulation of specific rules for villagers' autonomy and the establishment of an autonomous system; and 3) activities to demonstrate how villagers can achieve autonomy.

[XINHUA] Would you please elaborate on the demonstrative activities you have just mentioned?

[Doje] The demonstrative activities refer to the establishment of models and examples of villagers' autonomy, as well as relevant activities in this regard. This project has these two aspects: 1) to demonstrate how villagers' committees should construct themselves. Villagers' committees are required to be able to truly manage, educate, and serve themselves according to the "Organic Law for Villagers' Committees"; and 2) to demonstrate the way higher leading authorities and functional departments provide their leadership and guidance for villagers' autonomy.

[XINHUA] What successful experiences have been gained from promoting villagers' autonomy during the last five years?

[Doje] First, we have learned that we must exercise stronger leadership and guidance in order to achieve villagers' autonomy; second, we must establish and improve regulations and rules governing villagers' autonomy; third, operations of villagers' committees must be organically integrated with actual rural projects so that economic and social development in rural areas can be expedited; and, fourth, the peasants' creativity and their role as the mainstay in the committees must be respected.

[XINHUA] Would you please comment on what projects will be carried out to promote villagers' autonomy in the future?

[Doje] Villagers' autonomy is an important aspect in building a socialist democracy with Chinese characteristics. Its development, like socialist democracy, is a process of practice. Hence, we must continue to sum up experiences and push the project forward step by step. From now on, we should focus on the work in three aspects: First, we should continue to carry out demonstrative activities relevant to villagers' autonomy and give full play to examples' guiding roles so that we can gradually improve villagers' autonomy. Second, we must improve the regulations and rules governing villagers' autonomy so that we can promote and guarantee the sound development of villagers' committees. Third, we must do a good job in training backbone workers for villagers' autonomy, and heighten the cadres' and villagers' democratic awareness and ability to govern themselves.

#### **Luo Gan on Goals of Administrative Reform**

HK1106023093 Beijing JINGJI RIBAO in Chinese 20 May 93 p 7

["Excerpts" of a speech by Luo Gan, state councillor and secretary general of the State Council at the second congress of the Society of Administrative Management on 18 May; place not given: "Establish a Science of Administration With Chinese Characteristics"]

[Text] The Society of Administrative Management was founded because of the State Council's concern that reform of the administrative system meets the requirements of economic structural reform and to promote the development of administration science in our country. Since its official founding in October 1988, the society, by giving play to its advantages as an academic organization and focusing its efforts on the study of practical issues, has played a significant advisory role in promoting reform of the administrative system in our country and establishing an administrative system with Chinese characteristics, thus helping governments at various levels make policy decisions scientifically. At the same time, the society organized a large number of theoretical workers to carry out basic theoretical research in the field of administration science and made useful explorations on the establishment of administration science with Chinese characteristics.

Since our country began reform and opening, great changes have occurred in all aspects of socioeconomic life. Although substantial progress has been made in reform of the administrative system and institutions and some successful experience has been gained, the administrative system and institutions still do not meet the requirements of in-depth reform of the economic structure. It is necessary to gradually establish an administrative system suited to the new situation and to continuously enhance the quality of the government work. This has brought about many new subjects for our studies of administration science. It is hoped that all of us will make joint effort to effect greater and faster development of the society's work on the established foundation.

The key link in reform of the administrative system and institutions lies in the need to adapt them to the requirements of a socialist market economy and to set up, scientifically and reasonably, the government's administrative institutions and substantially transform the government's functions. On the one hand, the microeconomic management functions that result in direct intervention in the operation of enterprises should be substantially reduced according to the principle of separating government from enterprises so that enterprises can shake off their dependence on government and achieve independent status as commodity producers. On the other hand, the government's function of exercising macroeconomic management over economic activities and fostering and developing the market should be strengthened so that a scientific management system and mechanism can be established and developed to ensure the healthy development of the national economy through effective macroeconomic control and regulation. Thus, we can actually achieve the purpose of decontrolling and invigorating microeconomic activities and properly and effectively exercising macroeconomic management. While changing the government's economic management functions, we must also properly adjust the government's social management functions so that the government's social management functions will also meet the requirements of the development of a socialist market economy.

To reform the administrative system and institutions, we must also rationalize various relationships inside the government on the basis of functional transformation and actually enhance the government's work efficiency. The fundamental task of government administration is to provide high-quality services for economic and social development. Sufficient attention must be paid to the government's work quality and efficiency. Government functions should be redistributed, and administrative operation mechanisms should be improved according to the requirements of a market economy. It is necessary to rationalize relations between the government at the upper level and the government at the lower level and combine necessary centralization with necessary decentralization. It is also necessary to rationalize relations between different government departments in order to form a new pattern of harmonious cooperation with a

proper division of work. Relationships between policy formulation and implementation, commanding and obeying, and supervising and being supervised in the administrative process should all be rationalized in order to ensure the flexibility and high efficiency of the government's administrative work.

Reform of the administrative system and institutions is aimed at establishing a Chinese-style administrative system that has full functions and a reasonable structure; operates harmoniously, flexibly, and efficiently; and meets the requirements of the socialist market economy. To fulfill such an arduous task, we are required to deal with every aspect of the administrative system as a whole. It is necessary to improve the policymaking system and enhance the scientific and democratic character of the policymaking process throughout the governments; it is necessary to improve the executive system of administration and strengthen the authoritativeness of administrative orders; it is necessary to improve the supervisory system of administration and guarantee that administrative organs and personnel at all levels will perform their duties honestly and diligently for the benefit of the people; it is necessary to improve the personnel management system in administrative institutions, adopt a state civil service system, and build a well-structured contingent of civil servants with political integrity and professional competence and with a strong sense of responsibility for their work; it is necessary to improve work styles and methods, and in particular, to consolidate grass-roots institutions, which keep direct relations with the masses so that relations between the government and the people can become closer; and it is necessary to strengthen the legal system related to government administration and to standardize and regularize the functions, organizational structures, personnel appointments, and administrative behavior of government institutions at all levels, thus thoroughly preventing haphazardness in administrative work.

We need to conscientiously study and explore the above questions and other issues related to administrative management. Government departments should certainly conduct such studies and explorations. At the same time, it is also necessary to rely on social forces in all fields, especially academicians specializing in administration science and their academic organization, the Society of Administrative Management. We sincerely hope that academicians specializing in administration science and the Society of Administrative Management will grasp the current opportunity, take an active part in reform practice in order to deal with issues in the course of reform, deeply carry out investigations and studies, combine theory with practice, achieve greater and better research results, and more effectively play an advisory role for the in-depth development of our country's administrative structural and institutional reforms and in the scientific policymaking operations of governments at all levels.

We should note that the establishment of a socialist market economy will be a long process, so corresponding reform of the administrative system will also be a

long-term task. Some reform measures that have been put into practice are just transitional or exploratory steps. Reform still needs to develop further in depth along with the development of economic structural reform and further socioeconomic development. In this development process the advantages of academics the Society of Administrative Management should be brought into full play. They should pay attention to studying issues that should be urgently solved in current administrative work and administrative reform, make efforts to tap the rich administrative knowledge and experience handed down from our country's civilization over thousands of years, study and absorb useful administrative experience and the administrative reform experience of foreign countries, provide theoretical guidance to administrative work and administrative reform, and provide research results that will produce actual effects in the improvement of administrative work and administrative reform.

Theory comes from practice. Administration science, as a branch of applied learning, should be oriented to practical work. Administrative structural reform can develop healthily and smoothly only under the theoretical guidance of administration science. In turn, administration science can yield rich results only when it is deeply rooted in the practice of administrative management and reform.

We must grasp the current opportunity, firmly keep in step with reform, and make bold explorations and new contributions to advancing administrative structural reform.

#### **Xie Fei, Chen Xitong on Upgrading College Education**

*OW1206135293 Beijing Central People's Radio Network in Mandarin 2230 GMT 23 May 93*

[From the "News and Press Review" program]

[Text] Recently, party and government leaders from nine provinces and municipalities successively delivered speeches on issues regarding college education.

Xie Fei, secretary of the Guangdong Provincial Party Committee, said: The biggest difference between Guangdong and the four little Asian dragons lies in scientific and technological professionals and education. To restore its advantage, Guangdong Province has decided to accelerate the pace of reforming and developing its institutions of higher learning. It will collect 1 percent of its total income from secondary and tertiary industries and deliver it to provincial coffers. This, together with other funds, will enable the province to allocate 900 million yuan annually to institutions of higher learning.

Chen Xitong, secretary of the Beijing Municipal Party Committee, said: College education holds a decisive position in Beijing's modernization drive. During the Eighth Five-Year Plan, Beijing plans to increase the wages of staff and workers in municipal institutions of

higher learning by 5 percent annually. It will invest 200 million yuan in building 100,000 square meters of housing.

Shanghai Mayor Huang Ju said: Shanghai should thoroughly change its mode of college education that was previously in place under a planned economic system. It should gradually form a new college educational system with Chinese and Shanghai characteristics. Shanghai has made a policy decision to raise its educational surtax from 2 to 3 percent. In accordance with international practice, it will also increase service charges in restaurants and the tourist industry from 10 to 12 percent. These increases will mean several hundred more million yuan.

### CPPCC's Wu Xueqian Inspects Sichuan's City

*HK1006141193 Chengdu Sichuan People's Radio Network in Mandarin 2300 GMT 7 Jun 93*

[Excerpts] Accompanied by Nie Ronggui, Sichuan provincial Chinese People's Political Consultative Conference [CPPCC] chairman, Wu Xueqian, chairman of the National CPPCC city, inspected Zigong City the other day. [passage omitted]

During his inspection tour, Comrade Wu Xueqian said: This time, I chose to conduct my investigation in Sichuan, and I have acquired a great deal of perceptual knowledge. Zigong City enjoys good natural resources and able personnel, and these are very important conditions for bringing major development to Zigong. [passage omitted]

While inspecting the Sichuan Glassware Factory, Comrade Wu Xueqian showed great interest in the factory's adoption of the joint stock system and its pioneering efforts to set up Sichuan's first production line of [words indistinct]. He wrote an inscription for the factory, which read: "Developing glassware, rejuvenating [words indistinct]."

Comrade Wu Xueqian gave an important speech, which centered on the two key points of strengthening unity and developing democracy. He said: Realizing an extensive patriotic united front is a very important job, and we must try our best to make a success of economic construction. In writing an inscription for the Zigong City CPPCC, which read "Unity, democracy, seeking truth from facts, and forging ahead," he expressed the hope that all grass-roots CPPCC cadres can achieve better results in their work.

### Li Ruihuan Conducts Inspection of Anhui

*OW1006132293 Beijing XINHUA in English 1235 GMT 10 Jun 93*

[Text] Hefei, June 10 (XINHUA)—Party official Li Ruihuan recently called for an earnest tackling of various problems having surfaced in economic construction.

Li, member of the Standing Committee of the Political Bureau of the Chinese Communist Party's Central Committee, stressed the need to use the theory of building socialism with Chinese characteristics in solving problems in reform and opening.

Li, also chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), made the remarks while he was making an inspection tour in east China's Anhui Province.

Talking with local party officials, Li noted that Anhui has shown great changes over the past 14 years.

He said that at present, the economic situation on the whole is good in the country.

However, he said, some contradictions and problems also have appeared in the transitional process from a planned economic system to a socialist market system.

He said that the problems should not be shunned or overlooked, and they should be solved without delay.

He said that it will not do to try to solve problems according to old thinking and methods formed under the planned economic system.

He said that the only way to solve the problems lies in a combination of the theory of building socialism with Chinese characteristics and current practice, insisting on reforms, opening and bold exploration, and gradual establishment and perfection of the socialist market system.

He stressed that the party organizations should train cadres with the theory in a planned way and set it as a fundamental task of the party's ideological and organizational construction.

During his inspection, Li visited Wuhu, Jingxian, Qingyang, Huangshan and Hefei.

He also exchanged opinions with provincial CPPCC leaders on enhancing construction of the CPPCC organizations.

### Attends Project Ceremony

*OW1106092593 Beijing XINHUA Domestic Service in Chinese 0437 GMT 4 June 93*

[By reporter Xuan Fenghua (1357 1144 5478) and Ma Changqing (7456 1603 7230)]

[Text] Hefei, 4 Jun (XINHUA)—The Wuhu [5617 3275] Economic and Technological Development Zone, a project approved by the State Council, was put into operation yesterday after its name-board was officially hung out.

Li Ruihuan, standing committee member of the CPC Central Committee Political Bureau and chairman of the

Chinese People's Political Consultative Conference, who is now on an inspection tour in Anhui, attended the ceremony.

Wuhu, a place of strategic importance in south Anhui which has long been known as "a big commercial center along the Changjiang and a nucleus of Anhui Province," is an important hub of water and land transportation, as well as a collecting and distributing center for materials. The zone, located in the north part of Wuhu City, covers 10 square km area.

According to the director of the administration committee of the zone, the zone has so far introduced 52 projects, with a total investment of nearly 1.5 billion yuan, including \$73.6 million in foreign funds.

### **Li Ruihuan, Others Greet Chinese Drama Festival**

*OW1206143193 Beijing Central People's Radio  
Network in Mandarin 1030 GMT 3 Jun 93*

[From the "National Hookup" program]

[Text] After 11 days of performances, observations, and evaluations, the Third Chinese Drama Festival and the 10th Evaluation for Plum Awards for Chinese Drama concluded in Fuzhou last night.

During the festival, leading comrades Li Ruihuan, Cheng Siyuan, Lu Jiaxi, and Peng Chong extended their greetings.

During the festival, 15 plays representing 12 types of drama from various parts of the country were performed, including opera, modern drama, and traditional opera. People loved the theatrical programs because of their high artistic level.

After an evaluation by experts, six plays won awards for best performance, including the Shaoxing opera "Romance of West Wing," the play "Li Dazhao," and the opera "Zhang Qian." Winners of the Plum Award were Xiao Xiangyu, Chen Naichun, and 20 other performers.

### **Ding Guangen, Liu Zhongde at Cultural Forum**

*OW1306100693 Beijing XINHUA Domestic Service in  
Chinese 0926 GMT 30 May 93*

[By reporter Feng Yingbing (7458 3841 0393)]

[Text] Beijing, 30 May (XINHUA)—At the forum on theories of cultural affairs taking place here, Liu Zhongde, deputy head of the CPC Central Committee Propaganda Department and minister of culture, pointed out: China's economic system is undergoing a historic transformation. Its cultural system definitely will change accordingly so that, while meeting the needs of the market economy, it will also conform to the requirements in spiritual construction and the laws of cultural and art development.

The forum on theories of cultural affairs, sponsored by the CPC Central Committee Propaganda Department, opened on 27 May. Ding Guangen, member of the CPC Central Committee Political Bureau and Secretariat and head of the CPC Central Committee Propaganda Department, heard the discussion and spoke on cultural work at one session of the meeting.

Speaking at the first day of the meeting, Liu Zhongde, who has attended all the sessions of the meeting, specifically pointed out: How cultural work and cultural restructuring adapt to the work of achieving the objective of "establishing a socialist market economy" involves a series of theoretical and practical issues. If we people in the cultural sector are not aware of these issues and provide them with accurate answers, it will be very difficult for us to fully and correctly implement the guidelines of the 14th CPC National Congress and accomplish its assignments of expediting cultural restructuring, improving cultural and economic policies, and promoting the development of socialist literature and art. Therefore, we must intensify theoretical study in an effort to achieve a breakthrough in this area.

Liu Zhongde said: "We should use the following three criteria to judge whether cultural restructuring is successful: Whether it can fully mobilize and arouse literary and art workers' initiative and creativity; whether it can encourage production and encourage people to become writers needed to expedite the development of socialist culture and satisfy the people's growing needs; and whether it can promote economic development and progress in all social sectors."

Attending the forum were literature and art theoreticians, artists, and economists; responsible comrades from the CPC Central Committee Propaganda Department; the Ministry of Culture; the Radio, Film, and Television Ministry; the State Press and Publication Administration; the State Planning Commission; the Finance Ministry; the State Administration for Industry and Commerce; the State Administration of Taxation; the CPC Central Committee's Central Policy Research Center; the State Council's Policy Research Department; the China Federation of Literary and Art Circles; and the Chinese Writers Association; and responsible comrades of cultural and propaganda departments of Beijing, Shanghai, Guangdong, Shaanxi, and Jiangsu. They have made great efforts to achieve a relatively comprehensive, accurate, and scientific understanding through discussing, exchanging views on, and debating these topics: "How to restructure China's cultural system under the new situation? How to make the cultural system compatible with the socialist market economy and conform to spiritual construction and the laws of literature and art development?" "How to regard spiritual products' commodity attributes and characteristics?" How to view the relationship between spiritual products and the market?" "How to view and approach the different situations and demands of refined and popular literature and art in the market?" "How should the departments of

spiritual products and operations of cultural and recreational facilities be treated differently in our policies?" "How to do a better job in handling the relationship between social and economic effects of spiritual products?" "How to strengthen and improve the supervision of cultural markets?" "How to further improve cultural and economic policies and accelerate the legislation of cultural rules and regulations?"

### **Li Peng Inscribes for New Public Security Magazine**

OW1206061993 Beijing XINHUA in English 0251 GMT 12 Jun 93

[Text] Beijing, June 12 (XINHUA)—A new magazine on public security—"CHANG'AN"—will start publication on July 1st.

Jiang Zemin, Chinese president and general secretary of the Central Committee of the Communist Party of China, wrote the title for the magazine.

Li Peng, Chinese premier, and Qiao Shi, chairman of the Standing Committee of the National People's Congress, wrote inscriptions for the new magazine.

Sponsored by the General Office of the Central Committee for Comprehensive Management of Public Security, the magazine will be devoted to publicizing central authorities' policies on public security and promoting exchanges of experience among various departments and localities and research on the work.

## **Science & Technology**

### **Experimental Flight Unit's Successes Noted**

OW1406055893 Beijing Central Television Program One Network in Mandarin 1100 GMT 12 Jun 93

[From the "National News Hookup" program]

[Text] The experimental flight regiment attached to an Air Force base in the northwest Great Gobi Desert has repeatedly scored marvelous successes in the first line of scientific research for national defense. Shouldering the mission of testing the state's sophisticated weapons for air defense, this experimental flight regiment has successfully completed 720 test flight missions for scientific research involving experimenting, finalizing, verifying, and developing air-to-air guided missiles of various makes and models. With the launching of several thousands of guided missiles, the regiment has completed the testing of China's air-to-air guided missiles from the first to the latest generation. [video shows four uniformed men pushing a four-wheeled, uncovered, small vehicle loaded with four missiles, which are later loaded into a stationary aircraft]

Experimental flight is a high-risk undertaking, demanding the personnel's superhuman courage and dedication. Almost all pilots of this experimental flight

regiment have encountered such perilous situations as mid-air stalled engines and guided missiles jamming on the wing after firing, its fragments flying against the aircraft. Braving the dangers and facing them fearlessly, they managed to surmount difficulties and deaths one after another. [video shows close-ups of a worried and nervous-looking pilot ascending an aircraft and long shots of a flying aircraft]

During an experimental flight by Qi Baocheng, a special grade pilot, fragments of a prematurely exploded guided missile flew against his aircraft; it was his swift measures in avoiding the fragments that saved both the aircraft and the valuable experimental data. [video shows close-ups of Qi Boacheng, followed by screen scenes showing a flying aircraft, a cloud of thick smoke, and a flying object that exploded in a mid-air fireball]

### **Global Positioning System for Aircraft Developed**

OW1406050793 Beijing Central Television Program One Network in Mandarin 1100 GMT 12 Jun 93

[From the "National News Hookup" program]

[Text] China has for the first time succeeded in applying the differential satellite-guided global positioning system [cha fang wei xing quan qiu ding wei xi tong] to guide an aircraft's accurate landing. This key state scientific research project was jointly developed by the former Ministry of Aeronautics and Astronautics Industry's 615 Institute and other units under it. [video briefly shows full view of a meeting room with a banner hanging over its front portion with Chinese characters and English letters reading: "verification meeting for trial flight of the Ministry of Aeronautics and Astronautics Industry's DGPS/RA/NLC system"]

Dubbed a great invention in the history of navigation in the 20th century, the satellite-guided global positioning system can provide up to three coordinate points based on the metric system [mi zhi de san zuo biao wei zhi] in the aircraft landing process. Any airport adopting this system can help aircraft automatically enter the airport in an accurate landing. This successful trial flight signified that China has joined other advanced nations in using satellite navigation for applied aeronautic technology.

### **Jiang Signs Xichang Satellite Unit Commendation**

OW1106052293 Beijing XINHUA Domestic Service in Chinese 0238 GMT 4 Jun 93

[Text] Beijing, 4 Jun (XINHUA)—The PRC Central Military Commission [CMC] recently issued an order to award a collective Citation of Merit First Class to the launching and testing station of the Xichang Satellite Launching Center under the Commission for Science, Technology, and Industry for National Defense.

The order, which CMC Chairman Jiang Zemin signed and issued, said: Since its establishment in August 1977,

the Xichang Satellite Launching Center's launching and test station has been mainly responsible for technical services and support and for the testing, inspection, refueling [jia zhu 0502 3137], and launching of rockets. All the station's officers and men have worked diligently, selflessly, and in unison, accomplishing 12 satellite and rocket tests and launches. In particular, they have successfully launched the "Asia-I" communications satellite launches, as well as the Long March-2E strapped rocket and two Australian communications satellite launches. In addition, they have completed 158 adaptive modifications to the electronic testing and communications system of the launch site and of the ground technical service and support system, making outstanding contributions to the country's astronautics industry.

### **Jiang Signs Order To Honor Computer Institute**

OW1306140293 Beijing XINHUA Domestic Service in Chinese 0233 GMT 4 Jun 93

[Text] Beijing, 4 Jun (XINHUA) —The PRC Central Military Commission [CMC] recently issued an order to confer the honorable title —"Vanguard of Storming Scientific and Technological Problems"—on the University of Science and Technology for National Defense Computer Institute.

Signed by CMC Chairman Jiang Zemin, the order says: The University of Science and Technology for National Defense Computer Institute is mainly responsible for computer science teaching and computer development. Over the years, the institute, with the noble idea of contributing to modernizing the nation's defense, has kept pace closely with the world's high-technology development and made continuous efforts to scale the heights of science and technology, displaying the spirit of waging hard and arduous struggle, dedicating its efforts selflessly, working cooperatively, and making unremitting efforts. The institute has developed more than 20 types of computers of all sizes, including China's earliest vacuum tube computers, transistor computers, small integrated circuit computers as well as its first computer capable of making 100 million calculations per second and digital simulators. The large computer it developed in 1983—China's first "Milky Way-I" computer capable of making 100 million calculations per second—won the special prize for scientific and technological achievements of the Armed Forces and the developers won a collective merit, first class. Despite the achievements, the institute has guarded against arrogance and rashness and strived for even greater successes. In November 1992, the institute again developed another giant computer, "Milky Way-II." It has been appraised by the state as China's first giant parallel computer capable of making 1 billion calculations per second. This computer, which has become key equipment for the intermediate numeric forecast system at the National Meteorological Center, not only has powerfully expedited the technology for China's computer development, but also has significantly pushed China's meteorological work forward. It has thus yielded noticable social and economic results.

The CMC's order calls on all officers and men in the Armed Forces, especially comrades working on the front of science and technology for national defense, to learn from the institute's scientists and technicians. The order says: We should learn their noble qualities of showing deep love for the party, the motherland, and the people; their selflessness in dedicating their wisdom and talents to the motherland's science and technology; their enterprising spirit of daring to forge ahead with emancipated minds, their courage of heading toward advanced world levels and scaling the heights of science and technology; their hard work, their diligence and frugality, and their sense of responsibility they have displayed in accomplishing more with available resources; and their scientific attitude of setting high and strict requirements for themselves, their attention to details, and their conscientiousness. Following their examples, we should firmly implement the guidelines laid down by the 14th CPC National Congress, by the First Session of the Eighth National People's Congress, and by the CMC's enlarged session. We must inherit and carry forward the fine traditions of our party and our Army, preserve the true color of the old Red Army, earnestly attend to education and training, vigorously intensify research and application of science and technology, enhance the troops' combat-effectiveness in every way, and work hard to speed up the revolutionization, modernization and regularization of our Armed Forces!

### **Military**

#### **Article Views Banned Book on Women Soldiers**

HK1006005893 Hong Kong CHING PAO in Chinese No 6, 5 Jun 93 pp 36-38

[Article by Wan Shun (8001 7311), dated 20 May 1993: "The Military Encounters Resistance in Trying To Ban and Confiscate a Book About Female Soldiers"]

[Text] Following "White Snow and Red Blood", another nonfiction book about army life, "Requiem for the Army Camp", again incurred the wrath of military brass.

This article reveals details of how the book was banned and confiscated and the different undertones in the remarks and instructions of Jiang Zemin, Liu Huaqing, and Zhang Zhen.

Art and literature and Army political work circles and departments whose jobs involve reading are reported to have welcomed and favored Jiang Zemin's remarks and instructions, holding them as correct guiding principles for handling future problems related to art and literature.

Following *White Snow and Red Blood* (written by Zhang Zhenglong), another nonfiction book taking army life as its subject, *Requiem for the Army Camp*, again incurred the wrath of military brass, who have ordered stern measures to deal with the matter. *Requiem for the Army Camp* was written by Li Peiyang, a former Army writer with the Jinan Military Region. The book has just been

published in Hong Kong—the narrative had been meticulously touched up, the table of contents rearranged, and its title changed to *Erotic Tales of Female Soldiers: An Inside Story of Army Life During the Era of the Cultural Revolution* (henceforth shortened to *Female Soldiers*). The order to ban and criticize the book was given in March, when the Eighth National People's Congress [NPC] and Chinese People's Political Consultative Conference [CPPCC] were in session. However, the instructions of Jiang Zemin, CPC Central Military Commission chairman, and Liu Huaqing and Zhang Zhen, commission vice chairmen, differed in tone. The rank-and-file in the Army and literature and art circles held a different view on the book, and this was one reason why, though the book itself has disappeared from mainland book stores, attempts to take criticism a step further and move on to the author have encountered resistance.

#### **"Female Soldiers" Was Confiscated Overnight During the Two Sessions**

An offprint the size of an ordinary magazine, with the block characters "Army Camp" in crimson, "Requiem" in white, and a small bouquet covering part of the characters on its black cover, appeared at book stands on Beijing streets during Eighth NPC and CPPCC. Possibly because the publisher wanted to get the book out ahead of others, the printing was very poor. It makes difficult reading, as there are typos, omissions, and ungrammatical sentences on almost every line. But the book sold well. Individual book sellers were refilling stock from wholesalers, and each stand could sell dozens a day.

One day, when book stands were running out of stock, squadrons of personnel from industrial and commercial administration and public security units seized all copies of *Female Soldiers* they saw on display at book stands. When they heard the news, the stand owners knew that the book had crossed the line. Some hid their stock to sell at high prices in the future, even though they would be fined twice the amount if caught. By evening, the sweep had cleared out all copies of *Female Soldiers*.

The next day, this writer strolled through the streets and asked a few stand owners: "Do you have *Requiem for the Army Camp*?" "No, not any more. I dare not keep it in stock." "Can you get one for me? I will pay a good price." "It is just hard to find one now, and nobody would sell it, even he had it."

#### **Different Tones Among the High-Level Instructions on "Female Soldiers"**

The word is that the swift overnight sweep began with an Army officer affiliated with a Beijing office. He noticed that people were buying the book and bought one himself. He read it, found it a problem, and reported it to his superior, just to show his political acumen. As the book made its way to higher levels, its nature became increasingly serious. Very quickly it reached the Army's highest levels.

The PLA General Political Department delivered the book to the CPC Central Military Commission the moment it was obtained. Zhang Zhen was the first to see the relevant material. He immediately wrote to Jiang Zemin and Liu Huaqing: The General Political Department has reported to me that everyone is buying this book, which paints an ignoble picture of our officers and soldiers and will undermine our foundation. The author was a former member of a creative writing team at Jinan Military Region. He behaved very badly during the "4 June" incident, joining marches and hanging banners, and was sentenced to two years of reeducation-through-labor. He was released after serving his sentence. The book is extremely reactionary. It slanders the Army, taints its reputation, and breaks the law. I suggest banning the book and holding its author legally responsible.

Jiang Zemin, CPC Central Military Commission chairman, then attending the Eighth NPC and CPPCC, took the Military Commission's report very seriously and quickly instructed: No doubt art and literature is designed to entertain people after work. And surely we allow criticism. But it should be constructive and aimed at improving work and encouraging people to march on; it should not be destructive and paint a totally negative picture of the Army, sapping people's confidence. The Army has its own glorious tradition and is charged with the heavy duty of defending and building the motherland. We will not tolerate anyone spreading pessimism and a defeatist mood among the troops. Of course, the Army is not an island, and it will be affected by negative social practices. Neither is its work perfect: There are weaknesses and deficiencies. These problems should be seriously dealt with and solved. Our Army is good, healthy, highly organized, disciplined, and good at combat. It is entirely capable of solving its own problems. What we all should reflect on and analyze is: Why was such an author not criticized and educated? What is the experience and lesson to be drawn here?

On 23 March, Jiang Zemin made a direct reference to *Female Soldiers* in an address to an Army deputy group with which he was examining the "Government Work Report: "Art and literature work is charged with noble duties and important tasks in building socialist spiritual civilization. Generally speaking, our art and literature seeks to invigorate people, raise their fighting spirit, and foster and cultivate a noble moral sentiment to contribute to the modernization of the motherland. Of course, it should also entertain people after work. It is hoped that the Army art and literature workers will, in their works and performances, continuously eulogize the new things, generation, and spirit in the Army, carry forward the Army's glorious tradition, and inspire the broad mass of cadres and soldiers.

When excerpts of Jiang Zemin's address to the Army deputies were going to be carried the following day by papers, the Army took care to request that Jiang's comments occasioned by "Female Soldiers" be included.

Liu Huaqing, CPC Central Military Commission vice chairman, relayed at once Jiang Zemin's instructions and remarks on *Female Soldiers* to the General Political Department and other departments concerned, stressing: The matter must be thoroughly investigated and dealt with. The author should be held legally accountable. Once the whole thing is clear, we will solve the problem in accordance with the law."

#### **Jiang Zemin's Instructions Were Widely Accepted**

Jiang Zemin, Liu Huaqing, and Zhang Zhen agreed in their instructions and speeches that the book was bad. But they obviously differed in tone and points of emphasis.

On the nature of *Female Soldiers*, both Liu Huaqing and Zhang Zhen said outright that it "slanders the Army and undermines our foundation"; whereas Jiang Zemin only tactfully pointed out that it "spread a defeatist mood and pessimism."

On ways to deal with the author, Liu Huaqing and Zhang Zhen called for stern measures to "bring him to justice." Jiang Zemin only mentioned "criticism and education" and "drawing lessons" for the units concerned.

Jiang Zemin's instructions and remarks on *Female Soldiers* revealed an attitude of patient and skillful guidance and positive teaching toward art and literature circles. He insisted on dividing everything in two and seeking truth from facts on issues of principle such as the "functions of art and literature," "eulogy and expose," and "authenticity." Jiang Zemin pointed out that socialist art and literature creations should invigorate and inspire the people's fighting spirit and should cultivate sentiments, but he also recognized its "entertainment" value. He did not deny its "critical function." He first affirmed the Army's glorious tradition and that it was good and healthy on the whole. He did not deny its weaknesses and deficiencies and that it reacted to "negative social practices." Art and literature circles, Army political workers, and departments concerned with problems with *Female Soldiers* all favored and welcomed Jiang Zemin's address, seeing it as a correct guiding principle for the future handling of problems associated with art and literature.

#### **The Book Tells the Story of Six Female Soldiers**

*Female Soldiers*, which uses the confession of Xie Meichuan, a female officer working as the deputy director of an Army song and dance troupe at a military region as its narrative, describes the ups and downs of six women in the Army who joined the PLA during the Cultural Revolution. All six became military personnel through the "back door" and thanks to their status as "art and literature workers." In their amateur performances, they unwittingly played a tragic role, as they became propaganda tools to express the wrong political line promulgated under the influence of the "Gang of Four," which at that time dominated the whole party, Army, and the country. Some of their superiors were wolves, and the

girls had no choice but to sleep with them in order to survive, move up the ladder, and become party members. The things the author depicts happened within the Army during the Cultural Revolution. Against the broad sweep of such political movements as "criticism against Confucius and Lin Biao" and "criticism against Deng Xiaoping and striking back at the rightist reverse-the-verdict current" form a body of specific details which make up a realistic and convincing portrait of army life, as readers who lived through that period in the Army could confirm. What the author did was highlight typical characteristics. From this perspective, the book can justifiably be called a piece of "nonfiction literature." It is true that the book devotes considerable pages to how some Army cadres abused their powers and treated women as sex objects. But, to a certain degree, this did happen in the Army at that time. According to informed sources, the six female soldiers and all of the cadres they slept with—whose ranks range across the Army, divisional, and regimental levels—in the book are not figments of the author's imagination. Some people can even match each of the characters in the book with their real-life counterpart. When even very high-ranking generals, such as Huang Yongsheng, Xiu Huizuo, and Li Zuopeng, had these kinds of affairs (mainland papers and Hong Kong WEN WEI PO have published articles about them), what could we expect from their subordinates? *Female Soldiers* is dedicated to exposing the dark side of camp life in that era. This explains why the book did not dwell enough on the bright side that represented the positive force in that era. Following the smashing of the "Gang of Four," and especially since Deng Xiaoping took over the Army, the Army has undergone enormous changes in various areas. How is one, living in the present time, to write about life in a bygone era? How can a book that criticizes a previous time convey to readers that things are no longer like that? Art and literature circles generally agree that we should study these kinds of questions in the art and literature fields and should sum up experiences and lessons. Perhaps it is reasonable to ban works that have negative social repercussions. But we should be more careful when it is a matter of determining the nature of a certain worker and its author.

#### **The Author's Life History and His Major Works**

The background of the book's author explains why high levels of the military declared the book a "reactionary work" from the start. Li Peiyang, the book's author, joined the Army in 1978 in Rongcheng County (Lu County according to another version), Shandong Province. He was a copy clerk; platoon commander; secretary; and, when his literary and writing talents were recognized, a member of the creative writing team in Jinan Military Region Cultural Section. In 1988, he was made a captain. He covered the war against Vietnam's aggression with the troops at the Laoshan front line on the Sino-Vietnamese border and, afterwards, wrote a long fictional piece, "Dead Zone" (published by Jiangsu Art and Literature Publishing House), which lashed out

at the "daughters and sons of high-ranking cadres" and preached against war. The book was fiercely criticized by a number of high-ranking cadres and was seen as a sign of bourgeois liberal thinking in the Army.

Before the storm stirred up by the book subsided, the "4 June" incident of 1989 broke out. Li Peiyang was actively involved in marches against government-imposed martial law. He openly challenged the government by hanging up white banners at Yingxiongshan Park, Jinan Province, and was promptly arrested and sentenced to two years of reeducation-through-labor.

Li Peiyang showed no sign of repentance while he was serving his sentence. Instead, he spent the time collecting material for his next writing project. After he got out of prison he wrote and published *Privacy for Soldiers*, a book about homosexuality.

At his release in 1991, the military punished Li Peiyang by "depriving him of officer terms and perquisites and being returned to one's place of origin." Jobless, he started earning his living by writing mass-circulation paperbacks for publishers.

There is no denying that Li Peiyang wrote *Female Soldiers* to vent his grudges against the Army and that he panders to readers' prurient interests in writing those sex scenes (those in the book are actually far less explicit than those "dirty books" available at mainland book stands that are written to arouse readers). But the book does show us the Cultural Revolution from its own specific angle. Overall, the book is as valuable as its subject is serious.

It is understood that the military and departments concerned at the Justice Ministry are looking into *Female Soldiers* to see whether they have a case. The author would have been detained and under interrogation if he was still with the military. Since he is no longer on active duty and has returned to his home town, where he is not attached to any work unit, the only option is to sue him. Because there is no law in China governing publications, it remains to be seen how *Female Soldiers* can be found to have found violated law or other relevant rules and regulations.

#### Nanjing Military Region Discusses Self-Support

OW1406053093 Nanjing XINHUA RIBAO in Chinese  
30 May 93 p 1

[By Gu Xunjian (7357 6598 1696): "Seize the Opportunity and Step Up Efforts To Encourage the Army To Support Itself Through Productive Work"]

[Text] Under the new situation brought about by the establishment of the socialist market economy, departments at all levels under various provincial military districts should further emancipate their minds, seize opportunities, step up efforts to encourage the Army to support itself through productive work, and make

greater contributions to promoting economic construction and augmenting national defense reserve forces. This was a consensus reached by comrades who attended the just-concluded discussion meeting on encouraging militia reserve forces in the Nanjing Military Region to support themselves through productive work.

The five-day meeting in Wuxi was convened 18 May. Attending the meeting were Deputy Political Commissar Pei Jiuzhou, [Political Department] Director Lan Baojing, and Deputy Chief of Staff Pei Huailiang of the Nanjing Military Region; leading comrades from military districts (garrisons) of five provinces and one city; and representatives from military subdistricts and people's Armed Forces. During the meeting, 18 documents recording the Army's experiences were exchanged; among those listed in the documents were five units from our province, including the Wuxi Military Subdistrict, the Suzhou Military Subdistrict, and a regiment under the Yangzhou Reserve Division. While the meeting was still going on, comrades who attended the meeting inspected, with keen interest, nine economic entities and projects launched as a means of self-support by the Army in Suzhou, Wuxi, Changzhou, and other areas.

In a summing-up speech, Deputy Political Commissar Pei emphatically said: By engaging in productive work to support ourselves, we will help carry forward and promote the fine traditions of militia work. Such efforts will help accelerate economic development, help us overcome poverty and achieve prosperity, provide material support for militia reserve work, and augment the reserve forces. They will also help lighten the loads of the government and the people, and help cadres of the people's armed forces create a fine image. Sun Jiazheng, deputy secretary of the Jiangsu Provincial Party Committee, delivered a speech at the meeting. Deputy Commander Chen Kehou and Deputy Political Commissar Chen Chungeng—leading comrades from Jiangsu Military District—attended the meeting. Also present were Liang Hongchang [4731 1347 2490], deputy director of the People's Liberation Army [PLA] General Political Department's Mass Work Department, and responsible comrades from relevant departments under the PLA General Staff Department. Deputy Director Liang delivered a speech at the closing of the meeting.

#### Backgrounds Provided for 6 New PLA Generals

OW1206234693 Shanghai People's Radio Network in Mandarin 2300 GMT 7 Jun 93

[From the "Morning News" program]

[Text] The Central Military Commission [CMC] solemnly held a ceremony in Beijing yesterday [7 June] to mark the promotion of a number of officers to the rank of general. The six officers being promoted to general are Zhang Wannian, a CMC member and chief of staff of the Chinese People's Liberation Army [PLA]; Yu Yongbo, a CMC member and director of the PLA General Political

Department; Fu Quanyou, a CMC member and director of the PLA General Logistics Department; Zhu Dunfa, commandant of the PLA National Defense University; Zhang Lianzhong, Navy commander; and Cao Shuangming, Air Force commander. The "990 Program on Men in the News" will introduce these six new generals today.

Zhang Wannian is 65 years old this year. He joined the 8th Route Army in 1944 and the CPC the following year. He made significant contributions in the Tashan blocking action in 1948. He graduated from the Military Academy's Basic Department in 1961. After 1987, he was commander of the Guangzhou Military Region. In 1988, he was granted the rank of lieutenant general.

Yu Yongbo is 62 years old. He joined the Northeast Democratic United Army in 1947 and the CPC the following year. He participated in the northeast 1947 winter offensive and in the Liaoxi-Shenyang, Beiping-Tianjin, and southwest China campaigns. He took part in the War To Resist U.S. Aggression and Aid Korea in 1950. After returning home, he was appointed chief of the propaganda section of a PLA division and political commissar at the regimental, division, and Army levels. After 1985, he was director of the Nanjing Military Region Political Department. In 1988, he was granted the rank of lieutenant general.

General Fu Quanyou is 63 years old. He joined the PLA in 1946 and the CPC the following year. He was deputy company commander of the Northwest Field Army. He took part in the War To Resist U.S. Aggression and Aid Korea in 1953 as a battalion commander of the Chinese People's Volunteers. He graduated from the PLA Higher Military Academy 1960. After 1985, he was commander of the Chengdu Military Region. In 1988, he was granted the rank of lieutenant general.

Zhu Dunfa is 66 years old. He joined the 8th Route Army in 1939 and the CPC in 1945. He made significant contributions in the north Henan campaign and won the title "Third-Class Combat Hero." He again rendered outstanding services in the Huahai campaign in 1948. He participated in the War To Resist U.S. Aggression and Aid Korea in 1953 as a regiment commander of the Chinese People's Volunteers. He graduated from the PLA Military Academy Combined Army Command Department in 1960. After 1985, he was deputy commander of the Shenyang Military Region. In 1988, he was granted the rank of lieutenant general.

General Zhang Lianzhong is 62 years old. He joined the PLA in 1947 and the CPC the following year. After the founding of the PRC, he was appointed a platoon leader and a company commander. He graduated from the Hankou Higher Infantry Academy in 1958. Afterward, he was appointed chief of staff of a battalion. He graduated from the Navy Submarine Academy in 1965 and from the Military Academy in 1980. Since 1988, he has been commander of the Navy. In 1988, he was granted the rank of vice admiral.

Cao Shuangming is 64 years. He joined the PLA and the CPC in 1946. He graduated from the Air Force Aviation School in 1952 and became a pilot later. He participated in the War To Resist U.S. Aggression and Aid Korea in 1953. In 1958, he shot down an airplane from Taiwan's Air Force on the Fujian front and won a first-class merit citation. After 1987, he was deputy commander and Air Force commander of the Shenyang Military Region. In 1988, he was granted the rank of lieutenant general.

### **Navy Ship Ends Oceanographic Survey in Spratlys**

*OW1106053093 Beijing Central People's Radio Network in Mandarin 1030 GMT 9 Jun 93*

[From the "National Hookup" program]

[Text] China's history of having no data about the gravitational water depth survey [zhong li shui shen ce liang] in the Nansha [Spratly] waters has been changed by the Lance No. 11 ship, from a Nan Hai [South Sea] Fleet base.

Since Lance No. 11 first conducted a gravitational water depth survey in 1983, it has made four trips to the Pacific, [words indistinct], and 10 trips to Nansha, completing surveys on an accumulative area of 1.05 million square km; finishing gravitational water depth surveys over more than 103,400 km; collecting more than 600,000 words of data about hydrology, meteorology, geology, and geomorphology; and filling the country's deficits in eight study areas of the Nan Hai, including a gravitational water depth survey and underwater geology in the area.

To achieve first-hand data about the Nanshas, the ship Lance No. 11 has conducted more than 20 water surveys there, braving force 10 winds and greater.

The Navy recently held a commendation meeting at a Nan Hai Fleet base to award Lance No. 11 a collective citation of merit, first class.

## **Economic & Agricultural**

### **Administrative Streamlining Control Tightened**

*HK1406011093 Hong Kong HSIN PAO in Chinese 11 Jun 93 p 28*

[From the "Beijing Political Situation" column by Jen Hui-wen (0117 1979 2429): "Background of the CPC's Decision To Dispatch Liaison Officials To Examine the Work of Streamlining Administrative Structure"]

[Text] As I mentioned in this column last Friday (4 June), in view of the deteriorating inflation caused by the overheated economic situation, the CPC authorities are afraid of the recurrence of the unrest and turbulences of 1988-89, and have adopted countermeasures. Localities were instructed to "comprehensively" implement the

spirit of Deng Xiaoping's important speeches on various occasions in order to keep the good situation of economic development.

According to sources in Beijing, it is still a common phenomenon that people at lower levels often take various countermeasures against the policies laid down by the upper authorities. The CPC authorities recently adopted another major measure to prevent trouble from appearing in the economic field, and it was adopted together with the measure for promoting institutional reform (or streamlining the administrative institutions). On 24 May, General Secretary Jiang Zemin, of the CPC Central Committee, announced at a meeting attended by members of the Political Bureau and leading members of the State Council that, after consideration, the Political Bureau and the State Council decided to immediately dispatch economic work teams and liaison officials for the work of streamlining party and government institutions to all provinces, autonomous regions, and municipalities, and some key cities and key enterprises. The task for the economic work teams is to help the local authorities investigate and correct the disorderly conditions of violating the central policies and regulations, and control and correct local protectionist behavior and speculative activities with high risks. The liaison officials tasks are to assist, inspect, and promote the local work of streamlining party and government institutions in light of the central policies and regulations. The economic work teams will consist of leading cadres from various departments, ministries, commissions, and offices of the CPC Central Committee and the State Council and local party and government leaders. Liaison officials will be the personnel from the CPC Central Committee, the CPC Central Discipline Inspection Commission, the State Council, and the National People's Congress [NPC] Standing Committee.

Reportedly, the first batch of work teams with 18 members already arrived in their posts and began their work in late May and early June. Some of the liaison officials for the work of streamlining institutions arrived in some provinces, autonomous regions, and municipalities to carry out their tasks on 31 May.

According to CPC practice, the central authorities dispatched work teams to localities when the political and economic situation became rather stern. The current stern political and economic situation was not only mentioned by Jiang Zemin many times (see this column last Friday), even Vice Premier Zhu Rongji also pointed out at a telephone conference in early May he chaired on behalf of Premier Li Peng: "The current economic situation is rather stern and our alertness should be raised. Resolute action should be taken to check the spread of the blind economic development tendency. We should not have a fondness for the grandiose, and must hold down the proclivity to boast and exaggerate." Zhu Rongji warned: "No people should consider themselves cleverer than others and do something stealthily in violation of the central instructions, or they will have to bear legal responsibility." At the meeting, Zhu Rongji

also named a number of provinces, autonomous regions, and cities which had more problems. They were Zhejiang, Jiangxi, Guizhou, Shanxi, Sichuan, Hubei, Hunan, Hebei, Guangxi, and Shenzhen, Chongqing, Wuhan.

As for streamlining the administrative institutions, although the central authorities had great determination and took such actions as adopting the "Program for the Institutional Reform of the State Council" at the First Session of the Eighth NPC and deciding to reduce staff by more than 2 million, the work of streamlining institutions is still facing strong resistance from the central level to the local level.

According to sources, Wei Jianxing, secretary of the Central Disciplinary Inspection Commission [CDIP], said at a CDIP meeting on 22 May in Beijing: "The work of streamlining party and administrative institutions from the central authorities to various provinces, autonomous regions, municipalities, state-owned enterprises subordinate to ministries, and provinces is very arduous and is facing great difficulties. Only seven ministries and state commissions among all central departments can normally conduct this work. Among 41 ministries and commissions, 13 bureaus, five offices, eight institutions and 11 corporations directly subordinate to the State Council, only 11 ministries and commissions, four bureaus, two offices, and two corporations can smoothly advance the work of streamlining institutions; and the work of streamlining institutions remains at a standstill in nearly one-third of the ministries, commissions, offices, bureaus, institutions, and corporations." Wei Jianxing said: "According to the current speed of advance, it will take three to five years to complete the work arranged by the central authorities for this year. Such slow development of the work of streamlining institutions will inevitably retard economic structural reform."

According to an internal circular entitled "The Current Situation in Streamlining Party and Government Institutions," issued by the CPC Central Committee Secretariat on 31 May, some party and government leading cadres complained that the work of streamlining institutions encountered resistance greater than the actions of adjusting prices and wages. The circular said: Up to 20 May, less than one-third of the departments of the CPC Central Committee and the State Council could conduct the work of streamlining institutions properly and smoothly; only six provinces and municipalities had properly and smoothly advanced the work of streamlining their party and government institutions; and less than 15 percent of the institutions and enterprises directly subordinate to the central departments or the provincial authorities could properly and smoothly carry out this work. The circular also said that, according to reports delivered by various provinces, autonomous regions, and municipalities, less than 8 percent of the party and government institutions at the prefectural and city level could properly and smoothly conduct the work of streamlining institutions, and over 60 percent of the

party and government institutions at this level had not yet taken any action in this regard.

The sources also said that the difficulty of institutional reform had seriously upset the CPC top leaders and they issued instructions one after another.

At a recent meeting attended by responsible officials of various CPC central departments and various State Council departments, Jiang Zemin said: "The difficulty of reforming the party and government institutions lies in staff reduction. For more than 14 years of reform and opening, it was always hard to achieve any result in streamlining institutions and it was even hard to touch this issue. Why so? Comrade Xiaoping said: 'This point is a fatal weakness of the socialist system, and this is a fact whether we are willing to recognize it or not. We used to say that conscientiousness is what really counts in the world, and we communists are most particular about being conscientious. On the issue of streamlining institutions, we must not have any misgivings.'" Jiang Zemin also said: "Streamlining institutions is a link of great importance in institutional reform. It is also a major task in the Communist Party's self-revolution. The people are watching us. If we cannot successfully carry out this task, we will lose the people's support and trust."

Recently, Wan Li, former chairman of the NPC Standing Committee, also said at a meeting of the party work committee for organs under the Central Committee: "The issue of streamlining party and government institutions has not been properly solved since the founding of the PRC. In my view, the crux of the problem lies in the system and the structure. We often say that our party has no selfless end and is only aimed at serving the people, so our party cadres should be able to move upward and downward. In fact, things in this regard have never been properly solved. There is now another opportunity. At the same time, it is also a test for our ruling party and every party member."

An economist in Beijing questioned why the State Council's institutional reform program still kept the "temples" and "gods" rather than removing them since the CPC authorities were aware of the difficulty of institutional reform. It was said that some CPC top leaders held that China's central government was not actually that sizable as compared with those in the United States and Japan, and was even smaller than the size of the national governments in these two countries, and the main problem of overstaffing lay in the local government institutions and enterprises. As a matter of fact, the size of China's central government is three times as large as that of the U.S. Government and nine times as large as that of the Japanese Government (if the personnel in nonadministrative institutions are excluded). So, China's central government may be the largest one in the world. If the central leaders do not actually set straight their guiding principle, and result will be something like a popular saying describes: "Changes only at the lower level but not at the upper level, changes only made on the

left side but not on the right side, changes only made in other institutions but not in mine, and changes may be undone after being made." If no major action is taken in institutional reform, reform, opening, even the establishment of the market economy will inevitably be seriously impeded.

### State-Owned Enterprises Said 'Ailing'

HK1406050693 Hong Kong SOUTH CHINA  
MORNING POST in English 14 Jun 93 p 6

[By Chris Yeung "Recently in Hubei"]

[Text] The Communist Party is faced with an uphill battle to rejuvenate ailing state-owned enterprises.

Outdated machinery, poor management and the huge pension bill for retired workers are among the chronic problems faced by state-owned firms in the northern province of Hebei, of which about one-third are running in the red.

Officials admit issuing shares to promote growth is easier said than done.

They are aware that only the fittest will survive under the quasi-capitalist economy.

Factory managers are saying they have to emancipate their minds, alter management styles, inject an element of competition into their operations and, more importantly, bring in foreign investors.

The vice-president of the North China Pharmaceutical Corporation, Liu Shouwen, believes the old contract responsibility system does not work in the long-run.

"The system no longer meets the new circumstances. We decided to practise the share-holding system. Shares were issued to workers to absorb funds for development.

"It is of paramount significance to turn idle funds into production in the development of a market economy," Mr Liu said.

He also revealed the firm planned to issue shares on the Shanghai Stock Exchange in August.

If it succeeds, the pharmaceutical firm in Shijiazhuang, the capital of Hebei, will be the first in the province to be listed.

Mr Liu said the company had formulated plans to enhance competitiveness before the listing plan.

It has also had to plan ahead to develop its own products following the signing of a Sino-American deal on the protection of property rights, which included some of its products.

"We hope that we will succeed in developing one or two new products by spending 100 million to 200 million yuan (HK\$134.9 million to HK\$270 million) on product development.

"This will strengthen our competitiveness in world markets," Mr Liu said.

He said the share-holding system would enable the firm to have greater flexibility for development as profits could be reinvested.

But employees had yet to fully understanding the system.

neither had government departments established a system to cope with the changes in the operation of state-owned firms.

Meanwhile, the Tangshan Pottery Factory, which is the oldest state-owned firm in the province, also has a long way to go to rejuvenate its operation.

The factory's director, Rong Chengrui, said: "The burden on old enterprises is heavy. Retired workers have comprised one-quarter of our total of employees."

He said state-owned firms had suffered a heavier tax burden compared with joint ventures or rural enterprises.

Mr Rong said the company was willing to sell its factory, built in 1914, to foreigners if the deal was good.

But there was still some psychological resistance from cadres to the plan to put state-owned firms into private hands, he said.

#### Official on Placement of Surplus Personnel

HK1406043093 Beijing RENMIN RIBAO in Chinese  
1 Jun 93 p 2

[Interview with an unidentified official in the Labor Ministry by staff reporter Wang Yantian (3769 1750 3944); place and date not given: "Where Will the 10 Million Surplus Personnel Go?—Official in Charge of the Labor Ministry Answers Reporter's Questions on the 'Regulations on Placement of Surplus Staff and Workers of State-Owned Enterprises'"]

[Text] Surplus personnel in enterprises is one of the most thorny issues in enterprise reform. Should the situation of "three men's work being shared by five" continue, it will be very difficult for an enterprise to move onto the expressway even if it meets the best opportunity for development. The issue of surplus personnel has become one that can no longer be evaded in China's enterprise reform. The presentation of the State Council's "Regulations on Placement of Surplus Staff and Workers of State-Owned Enterprises" has pointed out the way for resolving the issue of surplus personnel and provided the policy and foundation for enterprises' deepening reform of the labor system. Not long ago, this reporter interviewed the responsible person in the Labor Ministry.

[Wang] Some data show that the number of surplus personnel is 10 million, while other data show a larger number. Which figure do you think is closer to reality?

[Official] To answer that question, we must first define the categories of surplus personnel. The Labor Ministry has classified surplus personnel in enterprises by four categories: first, productive surplus, which refers to surplus resulting from a failure to make arrangements for the existing work force because of a reduction in production operations; second, structural surplus, which refers to having more hands than jobs at many posts on the one hand, and a simultaneous shortage of hands at other posts that involve hard, dirty, and exhausting labor; third, physiological surplus, which refers to workers and staff who have partially or basically lost their ability to work but are not yet entitled to retirement based on their age; and fourth, seasonal surplus, which mainly refers to those trades affected by weather.

In the minister's report delivered at the National Conference for Directors of Offices or Bureaus of Labor in December, it was set out that the number of surplus staff and workers in state-owned enterprises across China was approximately 10 million. This figure originated from a 1992 Ministry of Labor survey involving 1,500 enterprises, in which 12 percent of their personnel were found to be redundant. Since there are 80 million personnel in state-owned enterprises across China, the number of surplus personnel must be close to 10 million. The result of our survey was basically the same as the figure provided by the All-China Federation of Workers' Unions. Of course, some people believed that figure was conservative and that the actual number of surplus personnel in enterprises would be larger. There is also the problem of the statistical standard used. If the existing work force of both state-owned and collective enterprises were included, the size of the surplus personnel population would be far larger.

[Wang] Could you please say something about the effects of in-depth reform and development in enterprises?

[Official] A surplus work force of 10 million is equivalent to the population of a medium-sized or small nation.

From a macroscopic view, the many surplus personnel result in a great waste of labor resources. According to statistics, the productivity of state-owned industrial enterprises increased by 1.17 times between 1965 and 1990, whereas the total number of staff and workers increased by 2.52 times during the same period. At the same time, many issues involving surplus personnel must be settled. Based on the calculation that the number of surplus personnel stands at 10 percent, the state finance will have to pay an annual 37.8 billion yuan in wages and welfare and old-age pension insurance for surplus personnel.

From the view of enterprises, a great number of surplus personnel are directly related to low efficiency. The efficient work hours of most enterprises in China were less than eight, thus leading to overstaffing and lax labor discipline, which has impeded the improvement of economic returns. This being the case, the issue of surplus personnel has become an important topic in deepening

enterprise reform and converting operational mechanisms. Its satisfactory and timely resolution has a direct bearing on the development of enterprises.

[Wang] Please say something about the major channel for placement of surplus personnel. What are the breakthroughs in the "Regulations for Placement of Surplus Staff and Workers in State-owned enterprises" that the State Council recently presented?

[Official] In deepening the reform, various localities created a lot of experiences in placing surplus personnel. They fall into three categories. One category is placement according to production; for example, widening channels for diversified operations, organizing labor service activities, developing tertiary industries, and utilizing resources more comprehensively. The second is placement according to livelihood; for example, the implementing earlier retirement for elderly staff and workers, and allowing surplus staff and workers certain holidays. Still another category is waiting for job assignments within the enterprise, transferring to other trades and undergoing training for these jobs, regulating personnel between factories, and encouraging staff and workers to seek jobs on their own. Of these categories, placement of a production nature is dominant. Last year there were approximately 1 million surplus staff and workers leaving their posts in enterprises, and appropriate arrangements for 800,000 were made.

The State Council's "Regulations for Placement of Surplus Staff and Workers in State-Owned Enterprises" is a comprehensive document that gives enterprises a legal guideline to follow in its placement of surplus staff and workers. Breakthroughs were made in the stipulation that "tertiary industry enterprises established by the state-owned enterprises to resettle surplus workers keeping independent accounts, shall be exempt from enterprise income taxes during the first two years of operation, and their income tax shall be reduced by half in the third year"; the stipulation that "if staff and workers will reach retirement age in less than five years, they may leave their work posts for recuperation after they have submitted an application in person and their applications have been approved by the leaders of enterprises"; and the stipulation that the enterprise may dismiss staff and workers in the contract system when great changes take place in the enterprise's operations.

[Wang] Where will the 10 million surplus personnel go is an issue of universal concern in society. In the regulations, the principle of placing surplus personnel as laid down by the State Council is "relying mainly on those enterprises' own placement programs, of relying on society-assisted placement as the secondary choice, and of ensuring the basic livelihood of surplus staff and workers." What is your opinion on this?

[Official] Summing up, there are three ways to resolve the issue of surplus personnel: first, by changing "surplus

personnel in enterprises" to "surplus personnel in society"; second, by integrating "surplus personnel in enterprises" with "surplus personnel in society," that is to say, both should share the burden; and third, by enterprises absorbing their surplus themselves.

Presently, there is not a vast environment for employment in China. Based on calculations, if enterprises introduced 3 million people into society for placement, the urban unemployment rate would go up to 4.5 percent. If 5 million people were introduced into society for placement, it would be very difficult for society to take up the burden. At the same time, China's unemployment insurance capability is very low. Under the circumstances of great employment pressure and poor insurance, if great numbers of surplus personnel are introduced into society to compete for jobs with the unemployed contingent, it would be very difficult for the surplus personnel to find jobs. Of course, in the near term, it is impossible to demand that enterprises absorb their surplus personnel themselves. First, surplus personnel in enterprises have been accumulating for decades and it would be very difficult to absorb them within a short period of time, and second, with the acceleration of reform and opening up, enterprises' technological progress has speeded up and employment has been relatively reduced.

When neither the society nor the enterprise can take up the burden, it will be comparatively appropriate for the two to share it. The enterprise should increase placement, and the state should also do its best to provide conditions for placement. The State Council's "Regulations of Unemployment Insurance for Staff and Workers in State-Owned Enterprises" promulgated recently, which put forth new stipulations in expanding the scope of unemployment insurance, ensuring the livelihood of unemployed staff and workers, and promoting re-employment, fall into this category.

[Wang] Some people have felt that, in implementing reform of the labor system, such as an optimum labor combination, management according to contract, and a labor contract system involving all staff and workers, the interests of elderly and female staff and workers are liable to be "infringed upon." How shall we resolve this issue?

[Official] Protecting the basic interests of the old and infirm, those suffering from chronic diseases, the handicapped, and female staff and workers has always been a focus of our reform work. Placement of staff and workers in these categories is stipulated in the "Regulations on Placement of Surplus Personnel in State-Owned Enterprises." For example, regarding elderly staff and workers, it is explicitly stated that regarding those who have less than five years before their retirement age and have left their posts to recuperate, the enterprise will pay them a certain sum for living expenses and their length of service will continue to be calculated during the period of recuperation. Regarding female staff and workers, the

said "Regulations" also include a special clause stipulating that an enterprise may allow leave, not to exceed two years, to female staff and workers who are pregnant or breast feeding. A female worker in these conditions should submit her application in person; she will receive her wages during her maternity leave according to state regulations, and a certain sum for her living expenses will also be paid to her beyond that to ensure her basic livelihood.

[Wang] What are the Labor Ministry requirements in implementing the "Regulations"?

[Official] Surplus personnel in enterprises is a major issue stemming from a long-term accumulation, and its comprehensive resolution will not be on the horizon in the near future. The State Council's introduction of the "Regulations" has pointed out a way to resolve this issue, but a lot of work is involved. What must be especially stressed is that the placement of surplus personnel should be comprehensively tackled; it is quite beyond the ability of a single department. It is imperative to give full play to the enthusiasm of enterprises, workers and staff, various government departments, trade unions, and all quarters in society. Only by their joint efforts will it be possible to carry out this job well.

#### **Public Bidding on Textile Export Quotas Planned**

*HK1406050293 Beijing CHINA DAILY in English  
14 Jun 93 p 2*

[By staff reporter Wang Yong: "Bid To Improve Textile Quotas"]

[Text] China is officially submitting its textiles export quotas to public bidding to enhance their allocation.

The Ministry of Foreign Trade and Economic Cooperation (Moftec) began to screen the practice for the first time during China's spring export fair in Guangzhou this year.

A senior Moftec official told CHINA DAILY that more quotas would be open for public bidding if the practice, now on a trial basis, proved successful.

At present, only a small part of China's textiles and garment export quotas are publicly bid. Most quotas are still allocated by Moftec.

Li Dongsheng, deputy director-general of Moftec's Foreign Trade Administration, explained that the new bidding could encourage fair competition among domestic exporters and also promote the export of upmarket products.

More than a third of China's textiles and garment exports have been under quota restrictions by North America, the European Community, Norway, Finland and Austria.

Li pointed out that bidders must meet the following criteria:

—Enjoy the export right of textiles or garments.

—Be a member of the China Chamber of Textiles Import and Export.

—Be prepared to turn over part of the foreign exchange to the State coffers.

—Participate in the Guangzhou export fairs.

Overseas-funded ventures, therefore, are excluded.

Li said bidding had been restricted at the last fair, which is held each spring and autumn.

His ministry had just formed a special committee with the China Chamber of Textiles Import and Export to oversee the public bidding for textiles export quotas.

During the last spring export fair, 169 domestic companies pitched for bidding, 127 winning.

Li said China would gear up its macro-control over textiles export quotas to guarantee increased exports this year.

The public bidding experiment is based on a national regulation on textile imports and exports announced earlier this year.

Chinese Customs reveal that the country's textiles and garment exports last year reached \$22.04 billion, compared with \$17.9 billion in 1991.

According to overseas agreements already made, China's export quotas will increase by 1-3 percent a year.

Li and other top Moftec officials will fly to Guangdong Province next week, the country's leading export-income generator, to inspect the textiles trade there.

#### **Yuan Plunges Below 11:1 With Dollar in Hainan**

*HK1206032893 Hong Kong SOUTH CHINA  
MORNING POST (BUSINESS POST) in English  
12 Jun 93 p 1*

[By Carrie Lee]

[Text] The yuan yesterday plunged for the first time below 11 to one US dollar at the Hainan swap centre and continued its fall in most other places in the country. In Hainan the yuan closed at 11.179 from 10.35, setting a new national low. At the State Administration for Exchange Control head office, the yuan strengthened slightly to 10.73 from 10.753. In Shanghai, it slipped to 10.50 from 10.48. The official rate is 5.6957/5.7243 to the dollar.

The depreciation of the yuan has forced Shenzhen China Bicycle to delay a plan to diversify the source of motor cycle components. The plan involves the purchase of components for small motorcycles—50 cc to 150 cc—from a Taiwanese company, with prices sensitive to the exchange rate between the yuan and Taiwanese dollar.

Executive director John Barker said the company was now trying to hedge the purchase price using the forward currency market and he did not expect purchase of the Taiwanese components to start in the next two months. Currency uncertainties also made it difficult for the company to plan the size of orders. "With the currency devaluation, it is harder to tell how much we are going to buy now," Mr Barker said.

Financial controller Colin Chan said the yuan plunge could hit investors' confidence in B shares in general as the dividend payment would decrease when translated from the yuan to other currencies. However, he said the bicycle maker's profit would not be hurt with about 85 percent of products exported and about half of the components domestically sourced.

Mr Barker predicted net profit for this financial year to be 195 million yuan, against about 117 million yuan last year.

#### **Funds Shortage No Block to High-Tech Imports**

HK1306072593 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 13 Jun 93 p 1

[By Wang Yong: "Shortage of Foreign Funds Won't Stop Tech Imports"]

[Text] China's technology imports will increase this year despite the State's shrinking foreign exchange reserves. And overall foreign trade in technology is to post substantial growth over 1992, a senior Chinese trade official said.

In fact, China signed more than \$2 billion worth of contracts to import over 140 technological items in the first five months. The sector's exports hit more than \$1.2 billion. China's total foreign trade in technology last year reached \$6.6 billion, \$1.51 billion of it in exports.

"We're considering further relaxing control over technical imports to boost our national economic development," said Li Cunren, an official with the Ministry of Foreign Trade and Economic Co-operation (Moftec).

A revised regulation on the management of technical import contracts has been submitted to the State Council, China's cabinet, for study. Li revealed that China would encourage imports of more critical software instead of simply equipment. Unfortunately, the former has until now made up only 20 percent of China's total technical imports.

The bulk of overseas technologies have ended up in such sectors as energy (including hydraulic, electric and nuclear power generation), transportation, telecommunications, raw materials and machinery and electronics. Take petrochemical projects. Li said about 18 of them approved in the first five months of this year each involved more than \$10 million in technical imports. He disclosed that a number of large projects were ready to be approved later this year.

"The reduction in China's foreign exchange reserves will not hamper our technical imports in the years to come," he pointed out.

Apart from consolidating its ties with traditional partners like Germany, Japan and the United States, China plans to gear up imports from South Korea, Israel, Australia and South Africa. Russia will be another big potential market, Li said. He also forecasted a major rise in technical exports this year. China's leading export items mainly fall in the energy, pharmaceutical, machinery and electronics and building materials sectors.

Li said equipment systems, which are high value-added items, have made up more than 90 percent of China's technical exports. But he expressed hope that the government would provide more financial support for the export of equipment systems.

China will convene a national meeting next week in Xiamen, Fujian Province, to seek closer integration of technology with trade.

#### **Foreign Sources Sought for Energy, Mineral Needs**

HK1306061093 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 13 Jun 93 p 1

[By Zhu Ling and Chang Weimin: "China Looks Abroad To Remedy its Energy Woes"]

[Text] China, facing energy and mineral shortages at home, is looking at overseas mining projects for future supplies of oil and other minerals.

"We are now drafting a long-term strategy that includes exploration and mining of mineral resources abroad to prepare our country for steady economic growth in the next century," said Zhang Hongren, vice-minister of Geology and Mineral Resources.

The move, which comes at a time of sluggish international mineral markets, "offers an opportunity for China to expand its international co-operation," Zhang said in an interview.

He said: "Our growing demand for minerals is undoubtedly a shot in the arm for the ailing global minerals market."

Economists describe the programme as "timely and significant" since it will go a long way toward solving the worsening energy and minerals shortages in China.

Called an "international risk prospecting programme," the Ministry of Geology and Mineral Resources says it has already launched comprehensive, preliminary studies in more than 20 nations in Asia, the Americas and Africa.

"The Chinese Government has made the decision to tap world resources and we are the lead agency in this," he said, adding that substantial progress must be made "in a short time."

Zhang announced that China will first target nations where the investment environment is favourable.

"We prefer countries with stable political situation, a complete economic legal system, favorable geographical conditions and a rich labour force," he said.

China is concentrating on tapping such minerals and petrochemicals as crude oil, natural gas, sylvite and ores of iron, copper, chromium and gold, Zhang said.

For these minerals, the ministry will dispatch prospecting missions to countries in the Asia-Pacific rim, Central and South America and Africa.

The ministry has already done work in Australia and Brazil to seek opportunities to explore and develop iron ore mines.

Geological analysts say that China will go to such countries as Turkey, Pakistan, the Pacific rim states, and South Africa to seek opportunities for exploiting resources of chromium.

"We expect to tap copper reserves in Chile and Russia," they add.

China's national economy is expected to grow at 8 to 9 percent in the next several years to reach the level of a medium-developed nation in the first half of the 21st century.

Demand for minerals is expected to rise sharply with the implementation of China's ambitious economic programmes.

Economists predict consumption of minerals will be several times today's levels.

China used to consider itself a country rich in resources. But China, with a population of 1.15 billion, in fact has per capita resources of only one-third the world average and per capita energy consumption of only one-eighth to one-tenth the level in Western nations.

Experts said China, which has exported minerals for decades to earn foreign exchange, is likely to gradually become a net importer of minerals in the 21st century.

Usually, it needs a dozen years for a mineral project to be completed. However, China is determined to start this year, Zhang said.

"We even expect to launch one or two overseas projects this year," he said.

To prepare for the expected large-scale mineral prospecting abroad in the near future, the ministry is beefing up professional training.

"We need such professionals who not only have geological knowledge and experience but also speak foreign languages and are good at negotiations and handling international trade issues," Zhang said.

The industry is short of people with such qualities, he said.

### Circular on Reassessing Enterprise Assets

OW1306223193 Beijing XINHUA Domestic Service in Chinese 0713 GMT 2 Jun 93

[Text] Beijing, 2 Jun (XINHUA)—According to the State Council plan for reappraising enterprises' stocks and assets across the nation during the Eighth Five-Year Plan period, China will experiment with the project in more selected enterprises in 1993. To make this project a success, the State Council General Office, with the State Council's approval, recently issued a circular on certain issues concerning this pilot project.

The circular stipulates: After the value of enterprises' principal fixed assets has been reassessed, verified, and accepted, the book values of their fixed assets (including original and net values) must be readjusted accordingly, and the depreciation funds of these fixed assets should be drawn on the basis of their reassessed value according to the regulations prescribed in the "General Principles for Enterprises' Financial Affairs" and the regulations governing the financial affairs of enterprises of different trades. Enterprises having difficulties in withdrawing their depreciation funds in such a manner may do so step-by-step according to their actual situations. Enterprises' hidden losses incurred before 1991 should be listed individually. As for enterprises' deficits, they should be made up by financial departments at various levels each year according to regulations, if this is their responsibility; but enterprises should formulate plans to make up their losses with profits they will make within five years as required by the "General Principles for Enterprises' Financial Affairs," as well as by the regulations governing the financial affairs of enterprises of different trades, if these losses were incurred as the result of overstepping production policies or mismanagement.

The circular stipulates: When the profits of an enterprise have dropped due to the reassessment project so much so that even payment of workers' efficiency wage [xiao yi gong zi 2400 4135 1562 6327] is substantially affected, the enterprise may use the funds they are allowed to retain to solve the problem; but depreciation funds may not be used for paying wages or giving awards. With the Finance Ministry's approval and effective on the date of approval, depreciation funds drawn by enterprises selected for the experiment of reassessing the value of stocks and assets will be exempted from contributing to the funds for building key energy and communications projects and the state fund for budget regulation. When the reassessment project is carried out, enterprises' various unlisted assets and goods they purchased without following the regulations for controlling institutional purchases should be accounted for. After they have done

so, generally their responsibility in violating the regulations will no longer be investigated during financial inspection and auditing. With special approval from the State Planning Commission and the Ministry of Finance, those large and medium state enterprises which have huge capital construction loans to repay and which require substantial state support for their development, may delay payment of the loans as well as interest on the state loans which replace state allotments, and loans from the capital construction fund, if they really have difficulty making up their deficits and capital losses within a short time.

The circular stressed: After their stocks and assets have been reassessed, enterprises must strictly abide by the "General Principles for Enterprise Financial Affairs," the "Guiding Principles for Enterprise Accountancy," and the regulations governing the financial affairs of enterprises of different trades. An enterprise's asset loss must be accounted for in its current accountings of profits and losses, and there shall be no more new delinquent payments or hidden losses.

The circular points out: The project of reassessing enterprises' stocks and assets at more selected units has important significance for prompting state enterprises to change their operating mechanisms and for establishing a socialist market economy. Under the State Council's centralized guidance, all local authorities and departments must earnestly strengthen their leadership over the project, and meticulously organize its execution. All relevant authorities must work in coordination with each other and earnestly carry out the project to lay a good foundation for reassessing stocks and assets at enterprises across China.

#### **CPC Members Urged To Gain Business Experience**

HK1306031093 Hong Kong WEN WEI PO in Chinese  
31 May 93 p 2

["Dispatch" by staff reporter Chen Chien-ping (7115 1696 1627): "The CPC Encourages Party Members To Do Business So As To Have a Good Idea of Enterprise and Economic Management"]

[Text] Beijing, 30 May—While talking about party members doing business today, a high-level central leader indicated that the general spirit of the party Central Committee is that party members who legally become wealthy by relying on their own work and wisdom should not only be encouraged, but should also be rewarded, an authoritative person here disclosed.

This person quoted the high-level leader as saying that now there is a need to establish a new socialist market economic structure, that diversified economic sectors have appeared, and that the economic development trend is mixed. In the socialist market economy, those who possess advanced productive forces and big enterprises can play a leading role in this society. Therefore, party members are encouraged to do business and to

hold all levels of management positions. In this way they will keep the country's economic lifeblood in their hands. Now the concept of value in society is tending toward individualization. This tendency merits attention and needs proper guidance.

This high-level central leader stressed the need to encourage more party members to do business, but it should be made clear that when a party member has become rich, he must make contributions to society and the organization. Also, supervision must be exercised. Apart from legal and administrative supervision, there must also be inner-party supervision.

#### **Commentary on Seizing Opportunity for Development**

OW1306001193 Beijing XINHUA Domestic Service in Chinese 1152 GMT 4 Jun 93

["Weekend Economic Commentary" by reporter Wu Fumin (0702 1788 3046)]

[Text] Shanghai, 4 Jun (XINHUA)—"Seize the opportunity" currently is one of the most frequently used phrases in China. Inspired by Comrade Deng Xiaoping's important remarks and the guidelines set by the 14th CPC National Congress, the country's socialist construction, reform, and opening up have continued to develop and progress—setting a good beginning for raising the country's economy to a new level in the nineties. Seizing the current rare domestic and international opportunities to quicken the pace of economic development has become a common wish of the people of the whole country.

However, different perceptions exist as to how one can seize, treasure, and make good use of the opportunities, and people have different approaches to this. Some localities have been enthusiastic in fighting for investment, launching new projects, and competing for development speed; some development zones have occupied dozens of square km while very few projects have been established in them; some localities have failed to take local conditions into consideration but have blindly increased investments and heedlessly competed for development speed, resulting in increasingly irrational industrial structures.

We should positively, correctly, and totally comprehend Comrade Deng Xiaoping's remarks and the guidelines of the 14th CPC National Congress. The spirit of unification between emancipation of the mind and seeking truth from facts runs through the entire remarks by Comrade Xiaoping. If we only pay attention to emancipating the mind and not to seeking truth from facts, working in a down-to-earth manner, and carrying out development in a steady and coordinated manner, we may experience drastic ups and downs, which will cause losses. It would be even worse if we misinterpret seeking truth from facts as sticking to conventions.

More and more people of insight have realized in practice that to truly seize the opportunity with a sense of urgency of our time, to treasure the opportunity with a sense of historical responsibility, and to make use of the opportunity with a scientific attitude, we must properly handle the relationship between reform and development—we should capture both the opportunity of development and the opportunity of reform; we should use reform to advance economic development and should enable economic development to create a good environment for reform. This is because the current contradictions and problems in China's economic development are, fundamentally speaking, problems of the economic system—deepened reforms are yet to be carried out in our traditional economic system and the socialist market economic system is yet to be established. During the period in which the old system is being transformed and the new one is being established and in which the old and new systems exist simultaneously, the original planned economic system has lost its containing mechanism, the drawbacks of the risk mechanism continue to play a role, and the mechanism for distributing resources through the market remains to be explored. All in all, the key to solving deep-rooted economic problems lies in deepening reform and quickening the pace of developing the socialist market economic system. If we do not apply ourselves to making reforms and just focus on launching new projects, our development will inevitably be unsteady and will not be able to be sustained.

On the basis of properly handling the relationship between development and reform, we must explore new ways to properly handle our economic work. We must not just pay attention to developing "hardware"; it is more important to properly carry out reform, develop proper "software," strive to comprehend the laws of the socialist market economy, establish laws and regulations governing the market economy and refine them, and devise market economic mechanisms and refine them.

Reform and construction require a good environment, and this good environment can be formed only by deepening reform, strengthening democracy and rule by law, and promoting the socialist spiritual civilization. We should continue to advance knowing that difficulties lie ahead; we should seize the opportunity; and we should join our efforts to establish a socialist market economic system.

#### **'Major Fraud Case' Involving Tax Losses Cleared**

*OW1106153493 Beijing XINHUA in English 1453 GMT 11 Jun 93*

[Text] Beijing, June 6 (XINHUA)—Chinese central authorities have cleared up a major fraud case causing 12 million yuan (about 2.1 million U.S. dollars) in lost taxes due to the government.

The exposure of the case was announced at a joint news conference held here today by the Chinese Communist

Party Central Commission for Disciplinary Inspection, the Ministry of Supervision and the State Administration of Taxation.

Under a decision of the commission, Chen Huiyou, former mayor of Xianning city in Hubei Province, who backed the fraud, has been dismissed from all his posts; and Yin Chuansheng, former director of the city taxation bureau, who participated directly in the fraud, has been expelled from the Chinese Communist Party and discharged from public employment. The local judicial department is investigating Yin's criminal responsibility.

By taking advantage of the government policy of returning taxes on goods for export, four factories in Xianning collaborated with the Xianning City Taxation Bureau and local offenders between August and September 1992 in producing counterfeit tax receipts to get back 9.78 million yuan in tax refunds.

Backed by Chen Huiyou, the Xianning clothing factory also received refunds on 2.44 million yuan in taxes in October 1992 by producing counterfeit tax receipts.

Officials said at the press conference that Yin Chuansheng repeatedly resorted to deception while being investigated.

#### **Objectivity in Studying Economic Issues Stressed**

*HK1306030893 Beijing ZHONGGUO XINWEN SHE in Chinese 1146 GMT 29 May 93*

[By reporter Geng Jun (5105 6511)]

[Text] Beijing, 29 May (ZHONGGUO XINWEN SHE)—Zhang Jingfu, former state councillor and finance minister, said: We should not repeat the past mistake of putting "labels" on theoretical issues in the economy before exploring their value, but should advocate and conscientiously implement the principle of letting a hundred schools of thought contend in academic studies.

Zhang Jingfu offered this opinion at the second membership representative conference of the Chinese Cooperative Economy Society held here in Beijing.

Since China's first cooperative was founded in Beijing University in March 1918, the cooperative economy has gone through a tortuous process of development in China. In particular, the "Great Leap Forward," the popularization of people's communes in the 1950's, and the "four clean-ups" movement, i.e., the "rural socialist education movement" in the sixties, caused heavy damage to China's cooperative economy which was politically denounced as "revisionism." With the implementation of the reform and opening up policy, China's cooperative economy regained rapid and powerful development.

Zhang Jingfu looked back on and summed up the tortuous development of the cooperative economy in

China. He said: In the past, theoretical issues in economy were simplistically judged as either "leftist" or "rightist." In other words, they were surnamed either "socialism" or "capitalism" and no intermediate state was acknowledged. This practice of putting "labels" on things before exploring their value did people great harm. It not only stifled academic prosperity but also ruined the lives and families of some outstanding, talented people and hurt many people's feelings. As a result, some capable people became more and more fearful and did not dare to state their academic viewpoints clearly.

Zhang Jingfu maintained that theoretical issues in economy should first be conscientiously studied and explored as academic issues and the principle of letting a hundred schools of thought contend and pooling the wisdom of the masses should be advocated.

#### **Changes in Grain Supply, Meat Consumption Noted**

OW1206121393 Beijing XINHUA in English 1137  
GMT 12 Jun 93

[Text] Nanjing, June 12 (XINHUA)—China's major commodity grain production areas are shifting from its south to central and western regions and Chinese people are consuming more meat and less grain, according to statistics at the '93 National Grain Trade Fair recently held in Nanjing, the capital city of east China's Jiangsu Province.

At the trade fair, the most important event of its kind in the country, grain traders from all over the country agreed upon a trade volume of more than 8.2 million tons of grain. Nearly 60 percent of the transaction, including nearly all the wheat and 40 percent of its rice and corn traded at the fair, came from central China's Henan Province, north China's Hebei Province and east China's Shandong and Anhui and Jiangsu Provinces.

The coastal Guangdong, Zhejiang, Fujian and Hainan Provinces and Shanghai are the biggest buyers, who ordered purchases of more than 2.9 million tons of grain. Guangdong Province, one of the fastest developing regions in the country, alone ordered more than a million tons of grain. Southwestern Yunnan, Sichuan and Guizhou also ordered more than two million tons of grain, one third of the total net purchase.

Corn for feed was the best seller at the trade fair, which accounted for 45 percent of the trading volume. Wheat and rice respectively took up 29 and 23 percent of the volume.

The increasing consumption of meat and eggs contributed to the growing demand for feed grain. Economists predicted that feed grain will be the best seller of all grains in the 1990's.

Statistics provided by the Nanjing Municipal Government showed that in 1992 grain consumption dropped while meat, egg and milk consumption increased.

At present, China's corn and bean production base is located in its northeast provinces, a base which accounted for one-fifth of the corn, bean and rice sales at the trade fair.

#### **'Major Changes' in National Food Structure Noted**

OW1206084893 Beijing XINHUA in English 0808  
GMT 12 Jun 93

[Text] Beijing, June 12 (XINHUA)—China is ready to bring major changes to its traditional food structure while ensuring steady growth of grain, meat and fishery production so as to push its per capita nutrition supply up to the world average.

These remarks are contained in the "Outlines for China's Food Structure Reform and Development in the 1990s", which was released today. The report was drafted by agriculture and nutrition experts from around China.

According to the outline, China's food structure reform will inherit the traditional Chinese food customs as well as the advanced, applicable experience from the outside world while following "nutritious, hygienic, scientific and reasonable" principles.

The outline set targets for annual per capita consumption in some major food areas: 210 kg of grain, 25 kg of meat, 10 kg of eggs, six kg of milk, nine kg of fishery products, 23 kg of fruit, 120 kg of vegetables, eight kg of edible oil and eight kg of sugar by the year 2000.

By then, a total of 520 million tons of grain, 39 million tons of meat and 18 million tons of fishery products will be needed in China, the report says.

According to an official from the Ministry of Agriculture, China's per capita grain production hit a record high of 400 kg in 1990. The consumption of meat, eggs, milk and fishery products by each person went up to 21 kg, 6.3 kg, 4.2 kg and 6.5 kg. The daily supply of calories, proteins and fat approached the world average.

However, the experts said, China's animal and bean food consumption and protein content are too low. Grain-fed pork makes up 80 percent of the total meat consumption. Grain alcohol consumption is also very high. These, they said, have aggravated the contradictions in nutrition surplus and malnutrition.

Therefore, the outline for food structure reform is necessary for the Chinese people who are witnessing a marked improvement in living standards, experts said.

#### **Commentator Calls For Successful Harvest Work**

OW1206234793 Beijing XINHUA Domestic Service in Chinese 0501 GMT 4 Jun 93

[By unidentified XINHUA commentator]

[Text] Beijing, 4 Jun (XINHUA)—It is the rainy season, and it is time to harvest winter wheat. The annual rush season of the "three summer jobs of planting, harvesting, and field management" is about to begin.

This year's "big climate" for the "three summer jobs" is excellent. The CPC Central Committee and the State Council have repeatedly called on localities to alleviate farmers' burdens in a practical manner and asked them to never issue IOU's again. Relevant departments have gone to great lengths to meet with farmers' needs, have given priority to arranging the supply of materials for agricultural purposes, and have pooled funds to meet the needs of the "three summer jobs." All levels of party and government organs and farm technological departments are now busy arranging for leading cadres and scientific and technological personnel to be sent to the front lines of agricultural production and to carry out a good organization, direction, and technical assistance job for the "three summer jobs."

Although fewer farm acres have been set aside this year than last year for growing summer crops, the growing of summer grain looks promising in many areas. For this year's summer harvest work, people should stress "gaining of time" and pay attention to the information on possible floods and waterlogging as provided by relevant departments. Localities should mobilize all available manpower, materials, and machinery so all ripened grain can be speedily harvested, and thrashing should be followed immediately after harvesting so all grain will be safely housed in granaries. Grain procurement departments need to prepare warehouses for grain storage and to provide funds for buying grains so purchases are paid with cash upon farmers' delivery of grains. According to the calls made by the CPC Central Committee and the State Council, localities must not refuse to purchase farmers' grain, and they are not allowed to issue "IOU's" again.

Autumn grain is important for our country. Doing a good job on summer planting and field management of summer crops will be decisively significant for obtaining a bumper harvest for the entire year. Following the principle of striving after high yield, high quality, and high efficiency, localities should make continuous efforts to optimize the industrial structure; in addition to rushing to harvest summer grain, they should carry out a timely and good job in planting by taking advantage of favorable climatic and geographical conditions. Farm technology departments, on the other hand, need to provide science and technological services to the farmlands, check the growth of seedlings, ensure the watering and fertilizing of farmland, guard against plant diseases, see to the growth of plants, include the management of autumn farmland into the full scientific and technological service network, and strive to produce a good harvest for the entire year.

This year is the first year following our country's formal establishment of a socialist market economic system. Winning the "three summer jobs" battle and achieving a

bumper harvest for the entire year will have an incalculable promotional effect on the great development of the national market economy. All the people in the nation should make concerted efforts, go all out, overcome difficulties to meet the challenge of the "three summer jobs," and strive to produce a bumper harvest.

### **Banks Enact Measures on Farm Procurement Funds**

*OW1206050493 Beijing XINHUA Domestic Service in Chinese 0915 GMT 1 Jun 93*

[Text] Beijing, 1 Jun (XINHUA)—To do a good job in supplying and managing funds for procuring farm and sideline products and to prevent the practice of "issuing IOU's," the People's Bank of China [PBOC], the Industrial and Commercial Bank of China, the Agricultural Bank of China, and the Bank of China recently jointly formulated "Measures for Implementing Special-Account Management for Funds Used In Purchasing and Selling Major Farm and Sideline Products."

According to the newly promulgated "measures," special-account management will be implemented in state-owned shops that purchase and sell farm and sideline bulk commodities, such as grain, cotton, edible oil, sugar, tobacco, tea, silkworm cocoons, live pigs, and wool and down products, as well as in supply and marketing cooperatives, foreign trade enterprises, and farm reclamation enterprises. It will also be implemented in banks in which these enterprises have established accounts. The basic principles governing the management of funds used in purchasing and selling farm and sideline products include separate planning, raising funds by all possible means, establishing special accounts, circulating funds within the banking system, investigating violations of regulations, and meting out punishment.

To ensure the rational utilization of funds in purchasing and selling farm and sideline products, and to avoid appropriating, diverting, and withholding funds, the "measures" stipulate that purchasing enterprises can only open a special procurement account in one specialized bank, which must, in turn, establish a special account at the PBOC.

According to relevant provisions, funds for procuring farm and sideline products should be "managed separately and raised by all means." The amount of loans needed for procuring farm and sideline products will be listed separately in the credit plan of the PBOC to specify the needed amount of loans to be extended by each specialized bank. Specialized banks must secure adequate loans in a timely manner to ensure the availability of funds for purchasing farm and sideline products. In accordance with the principle of holding each administrative level or department responsible, the funds needed for procuring farm and sideline products will be jointly raised by purchasing enterprises, financial institutions, the Agricultural Bank, the Industrial and Commercial

Bank of China, the Bank of China, and the PBOC. These funds should be deposited in special accounts at people's banks at the county level.

Funds used in purchasing and selling farm and sideline products should be kept separate from those used in previous years. Beginning this year, each department should deposit the amount of funds assigned to it in a special account each month before and during the purchasing season. Funds in special accounts can only be used to pay for purchases of farm and sideline products covered by these measures, to defray relevant expenses, and to deliver profits and taxes to the state. During the procurement period, purchasing enterprises can only use the funds in special accounts after examination and approval by their banks' credit departments. During the procurement season, the use of funds in special accounts by specialized banks is subject to examination and approval by the planned credit departments of people's banks at the same level.

The "measures" stress the need to promptly investigate underlying causes, to determine responsibility, to take effective measures aimed at seeking prompt solutions, and to investigate leaders from relevant departments and related parties in the event relevant departments cannot raise enough funds on a timely basis, cause a shortage of funds due to their failure to allocate the required funds, retain funds allocated and supplied to make up for deficits by financial departments, or appropriate and divert procurement funds to investments in real estate and development zones, to usurious practices, or to other businesses. The "measures" also stress the need to take the above-mentioned actions if enterprises and competent departments fail to pay off bank loans in a timely manner after allocating and selling farm and sideline products, if they default on the repayment of procurement funds due to their failure to clear loans through people's banks, and if specialized and people's banks at all levels divert procurement funds to other uses.

#### **Farmers' Pay Said Important to Rural Reform**

HK1406051093 Beijing CHINA DAILY in English  
14 Jun 93 p 4

[Article by Chen Xiao: "Increasing Farmers' Pay Seen Key to Rural Reform"]

[Text] Rural reform should be designed to accelerate an increase in farmers' income.

This is the core problem in China's agriculture.

Since the last half of 1992, many people have worried about a possible reduction in grain output this year. It is certain now that this year's summer grain harvest is going to witness a drop in production compared with last year.

Central government authorities are fretting.

In recent talks on current economic work, President Jiang Zemin said that more efforts should be made to guarantee the agricultural harvest this year.

"The success greatly depends on grasping the nitty-gritty of the fluctuation in grain production and the slow increase of farmers' income," said Du Runsheng, a leading economist at a recent economics seminar in Beijing.

Last year, farmers' per capita income nationwide inched up 5.9 percent to 784 yuan (\$136.6) after deducting for inflation, while the per capita income in urban areas was 1,826 yuan (\$318.1).

The discrepancy was greater in the western regions of the country, where farmers' per capita income was only 605 yuan (\$105.4) last year.

Du predicted that the serious grain crisis of the early 1960s would never occur in China again. Even during the period of 1985-88, when grain output was stagnating, Chinese did not suffer from hunger. In fact, supply of food has well met the market demand.

This is the result of the success of the first-phase of the rural reform, which started with contracting production quotas to individual households at the end of the 1970s. Du himself has advocated the system since the early 1950s.

Farmers' complaints have been increasing since 1989. The protests come mainly from underdeveloped areas, such as the western and middle regions which are the main grain producing areas, Du said.

Under the pressure of rocketing prices for items such as chemical fertilizer, oil and machinery, farmers see poor profits from planting grain, greatly dampening their enthusiasm.

Meanwhile, farmers in the western and middle regions do not feel at ease working the land. Some have been moving out of their home town to make a living in urban areas.

Du pointed out that low incomes for farmers have been a reality in China since 1949, when the country chose to develop capital-intensive industries in urban areas.

This option guaranteed national security for the nascent republic, but heavy industry supplied fewer employment opportunities.

Funds were drawn away from rural areas under the system of the State monopoly for purchase and marketing of grain, moreover, farmers were left behind on land at the same time.

At present, there are still 130 million surplus farm labours in the countryside, according to the Ministry of Agriculture. Such a great number of surplus labour inevitably causes slow increases in farmers' income.

Unlike China's mainland, Taiwan and South Korea, both rich in labour resources, stressed small and labour-intensive industries before their economic takeoff.

Since the mainland encouraged township enterprises in the countryside enterprises in the countryside after rural reform, the unemployment in rural areas has eased to some extent and farmers' incomes have risen accordingly.

The system of contracting production quotas to individual households has largely raised the efficiency of agricultural production and freed rural labourers from the land. Meanwhile, the contract responsibility system, which was introduced into urban areas in 1984, made it possible for State-owned enterprises to sell part of their products to rural firms. To a certain extent, this has propped up to the development of township enterprises.

The township industry has been robustly developing since the mid- 1980s. More than 100 million rural labourers had transferred from the land to township enterprises by the end of last year, according to the Development Research Centre of the State Council. This is the biggest contribution of township enterprises to the country's economic takeoff.

But, since rural industry in the western and middle regions is underdeveloped, farmers have to rely on planting grain, from which farmers pocket smaller profits than those in coastal areas. At the same time, they have to bear hefty tax burdens.

"The slow increase in farmers' income can also be traced to the delayed reform in rural and urban areas," said Du.

In rural areas, the system of the State monopoly still dominates the purchase and marketing of grain, although prices of most farm products are regulated by the market.

"This system is one root cause of farmers' low income," he said.

Under the system, price of grain is fixed by the government and cannot reflect the relationship between market demand and supply of grain. Farmers cannot allocate resources under the market regulations.

The second-phase of rural reform, characterized by deregulating farm products and establishing a healthy market in the countryside, is expected to improve things.

Nationwide, several hundred counties out of a total of more than 2,000 have completely cancelled the State's control on the purchase and marketing of grain. The others are waiting for the central government's decision to cancel the system.

"The central government is looking for a ripe time. It should not push too hard, otherwise the government will have to pick up the old planned methods when grain output decreases," said the economist.

The central government should work out a unified method to straighten out the monopoly system, in addition to urging individual provinces to adopt specific ways according to their local conditions. Generally speaking, there are two ways, Du said.

The first, he said, is to increase taxes in rural areas, such as the grain tax, and write off all other charges.

For instance, if the State wants to purchase 50 billion kilograms to guarantee the supply in urban areas, the quotas can be turned over in the form of grain tax. Then, the price for the rest can be deregulated.

The State can supply some grain at relatively low prices to those urban dwellers with low incomes in order to maintain social stability.

The central government is willing to accept this method, Du said, however, it is difficult to implement, since farmers who are being pressed too hard by hefty burdens cannot endure further increases in taxes.

The second way is to completely deregulate grain prices. Personally, Du champions this course, letting the market do what it will.

The canceling of the State monopoly system must be carried out simultaneously in rural and urban areas.

"Further development and success of the country's agriculture certainly depends on improved coordination between the current rural reform and the urban reform," Du said.

It requires reform in financial, banking and tax sectors, while efforts should also be made to establish various factor markets, such as in money, labour and land.

However, while inflation is becoming a reality, economists are worrying that the central government will shift its attention to putting a lid on inflation rather than speeding up the pace of reform.

"But the central government has to make it determination to deepen the reform in all sectors, since rural reform will be inefficient without the support from urban areas," said the economist.

### **Large Rural Manufacturers Growth Reported**

*OW1206061493 Beijing XINHUA in English 0121 GMT 12 Jun 93*

[Text] Beijing, June 12 (XINHUA)—The number of township-run manufacturers with annual sales exceeding 100 million yuan (about 17.5 million U.S. dollars) climbed in 1992 to 256 from 80 in the previous year, the Ministry of Agriculture said today.

Sales for these rural manufacturing giants soared 243 percent in 1992 to 42.23 billion yuan. The Zhujiang

(Pearl River) Refrigerator Factory in Shunde city, Guangdong Province, is rated as China's top rural manufacturing giant, with sales of 1.07 billion yuan in 1992.

Of the first 100 giants, 36 are based in coastal Jiangsu Province, 24 in coastal Guangdong Province, 12 in Shanghai municipality and 10 in Tianjin municipality.

### East Region

#### Jiangsu's Nanjing Executes 18 'Criminals'

HK1306030793 Hong Kong ZHONGGUO TONGXUN  
 SHE in Chinese 1310 GMT 10 Jun 93

[Text] Nanjing, 10 Jun (ZHONGGUO TONGXUN SHE)—The Nanjing Intermediate People's Court today held a public sentence pronouncement rally and publicly sentenced a total of 39 criminals involved in some 17 major criminal cases in accordance with the law. Nearly 1,000 people sat inside the court, hearing the sentences. After the public sentence pronouncement rally ended, 18 criminals who had been found guilty of the most heinous crimes were taken under escort to an execution ground where they were shot with a bullet in the back of the head.

It was learned that Nanjing, an ancient city, witnessed a 3.8 percent drop in crime from January to April of this year compared with the same period of last year. Nevertheless, major and serious criminal cases showed an upward trend in the city. According to statistics, major and serious criminal cases registered a 26.2 percent increase in the city during the January-April period compared with the corresponding period last year, most of which were robbery, robbery-related murder, and larceny cases.

Most of the 17 cases mentioned at the public sentence pronouncement rally were cases of murder, harboring criminals and covering up crimes, robbery, larceny, intentionally injuring victims, hooliganism, and so on. Of the 39 criminals, 15 were ex-convicts released from prison after serving sentences, people released from reeducation through labor camps, and unemployed people, including peasants who had come from other areas and committed crimes in Nanjing.

It was learned that today's rally was the second public sentence pronouncement rally held by Nanjing City since 4 September, 1983 when the city launched a major crackdown on crimes. By meting out severe punishment to criminals involved in major and serious crimes likely to undermine social order to a serious extent, the city authorities hoped to check the upward trend of major and vicious crimes and create a fine social environment for building Nanjing into an international metropolis.

#### Jiangsu Opens All Ports to Foreign Ships

OW1306132893 Beijing XINHUA in English  
 1235 GMT 13 Jun 93

[Text] Nanjing, June 13 (XINHUA)—The Gaogang Port in east China's Jiangsu Province opened to foreign ships yesterday, marking that all the seven ports on the Yangtze River in the province have opened to the outside world.

The other ports are Nanjing, Zhenjiang, Yangzhou, Jiangyin, Zhangjiagang and Nantong, making Jiangsu the province with the biggest number of open ports on the river.

The Gaogang Port, a key Jiangsu communication hub on the lower reaches of the Yangtze River, is 145 km away from Nanjing, the capital city of Jiangsu Province and 247 km away from Shanghai.

At present it has 17 decks and can handle five million tons of goods a year. Its annual handling capacity is expected to increase by 2.2 million tons by 1995.

#### Li Zemin on New Leading Bodies in Zhejiang

OW1206045993 Hangzhou ZHEJIANG RIBAO  
 in Chinese 25 May 93 p 1

[Unattributed report: "For a Certain Period of Time After the New Term of Office Begins, We Should Concentrate on Building Leading Bodies]

[Text] The Zhejiang Provincial Party Committee yesterday morning [24 May] held a meeting with responsible comrades from various departments under provincial-level organs to make arrangements for building leading bodies for a certain period of time after the beginning of the new term of office. Li Zemin, secretary of the provincial party committee, delivered a speech; Wan Xueyuan, deputy secretary of the provincial party committee and governor, presided over the meeting.

Li Zemin said: The election of personnel for a new term of office at four administrative levels in our province has been basically completed. The new leading bodies—formed at the critical juncture of accelerated reform, opening up, and economic development in the 1990's—will be burdened with arduous tasks and heavy responsibilities. At present, and during the rest of the new term, the new leading bodies should continue to maintain and develop the favorable trend of reform, opening up, and economic construction brought about by the implementation of the guidelines of talks delivered by Comrade Deng Xiaoping during his inspection trip to South China and by the implementation of the guidelines of the 14th national party congress, so that the provincial economy will develop quickly and favorably in a sustained, coordinated, and steady manner, and that a solid foundation will be laid for the province to attain the objective of reform and construction in the 1990's. All of you comrades here shoulder a heavy burden. Viewed from a larger perspective, three new tasks await us: The first task concerns the issue of how to study new situations and solve new problems that surface during the process of building the socialist market economy, and how to improve our leadership over reform and construction. The second one concerns the issue of how to closely combine central principles and policies with the actual situation in Zhejiang, and how to reflect the province's objectives and main tasks of development during the 1990's in the way local departments and units carry out their work creatively. The third one concerns the issue of

how to further enhance the party spirit, intensify efforts to promote a good party style and clean government, foster closer flesh-and-blood ties with the masses, and persevere in the purpose of serving the people wholeheartedly in the socialist market economy. Compared to the way they were resolved under the previous traditional system, the solution of these issues will now be more difficult. We must foster a corresponding ideology and work style after taking a good look at our tasks and considering the overall picture and long-term prospects.

Li Zemin said: The leading bodies of departments under provincial-level organs consist mainly of fine people. A large number of department leaders have been regrouped and augmented following their election to a new term of office. The new leading bodies are mentally alert, high-spirited, and very enthusiastic; work has, in fact, improved under their leadership. This is very heartening. However, we should also be aware that—faced with the new situation and tasks—new comrades to the leading bodies have to go through a process where they must work hard, familiarize themselves with the situation as soon as possible, and adapt themselves to their new posts. Former members of the leading bodies must also continue to learn, review their experiences, and improve their leadership. We should also be aware that a few weak links have yet to be tackled in the course of improving our ideology and work style. These weak links mainly consist of the following: Relatively weak theoretical work, insufficient efforts to uphold and improve democratic centralism, negligence in efforts to build a good party style and clean government, problems concerning work style, and lax ideological and political work. When we build the leading bodies this time around, we will conduct on-the-job training and self-study, further correct the guiding thought for work in organs, straighten out our train of thought concerning our work, and improve the work style of organs. We will carry out such efforts earnestly and efficiently, in order to lay a solid foundation for completing those arduous tasks which await us over the next five years.

Li Zemin said: The guiding thought for building leading bodies in a specific period of time is that we should follow the guidelines laid down by the 14th CPC National Congress and thoroughly study Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics; correctly handle the relationship between mental emancipation and seeking truth, between seizing opportunities and cherishing opportunities, between reform and development, between doing our best and acting within our capacities, and between local needs and overall interests; be more conscious and more determined in implementing the party's basic line; earnestly sum up our experiences, have a clear concept of work, do our jobs creatively, deal with specific issues regarding thinking and work style, and improve leadership—all in conjunction with the actual situations in various localities and departments; and strive to build all leading bodies into politically firm, united, coordinated, honest, and practical bulwarks that have the courage to reform,

maintain close ties with the masses, and rally cadres and masses to take advantage of the current opportunities to accelerate reform, opening up, and the modernization drive and quickly boost Zhejiang's economy to a higher level. Specifically, we should give priority to the following five areas:

1. We should thoroughly study Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics, continue to liberate our minds, change our mindsets, and be more conscious in implementing the party's basic line. The most important task in building stronger leading bodies is to arm our minds with the theory of building socialism with Chinese characteristics. All leading cadres must study and master this theory systematically and practically, and not in fragments or aimlessly. The study must be tied with the actual situations, and it should be thorough so that it will be useful for solving practical problems. Not only should we apply ourselves in studying and mastering Comrade Deng Xiaoping's strategic thinking and theoretical views, but we must also study his scientific approach and creativity in studying new situations and resolving new problems from a Marxist stance, through a Marxist perspective, and with Marxist methods. During the course of study, all departments must underscore the need for mental emancipation and seeking truth. In conjunction with our actual state, as well as Zhejiang's actual situation of reform, opening up, and economic construction, we should come up with several topics of discussion, and then, on the basis of our individual study and observations, discuss the issues. We must be able to do several things during the discussion. First, we must continue to deepen our understanding of the party's basic line, characterized by "one center, two basic points," so that we can become more aware of the need to implement the party's basic line. Second, we should eliminate the influence of "leftist" ideology, shake off the old concepts developed under the long-standing and traditional planned economic system, and deepen our understanding of laws inherent to a socialist market economy. Third, while we study and carry out reform, we should actively explore ways to strengthen macroeconomic regulation and control and gradually establish and improve supervisory and restraining mechanisms, such as laws and regulations. Fourth, we should heighten our awareness of reform and opening up, make special efforts to study the new situations and new problems appearing in our social and economic development, sum up our new experiences, come up with new ways of thinking, and explore new methods. We should establish our footing on expediting our economic development and pushing various other projects forward through deepening reform. The necessary study systems should be upheld and improved, and the central study groups set up in party committees must uphold their theoretical study. While doing so, they should also improve their study methods and enrich the course. We should also further improve the system of selecting leading cadres to study

at party schools so that these schools can be fully utilized and so that leading cadres at various levels can be trained on a rotational basis there.

2. We should earnestly sum up our experiences and have a clear concept for our work. On the basis of studying the theory and understanding better and focusing on the theme of seizing opportunities, deepening reform, and expediting national economic development, all departments must examine their actual situations, earnestly sum up their experiences, have a clear concept for their work, and set their objectives. Each and every leading member must go deep into the realities of life and go deep into the grass-roots units to investigate, study, and listen to the views and suggestions of people from all quarters. Then they should sit down and examine their findings. While fully acknowledging their success, they should also realize their adequacies and shortcomings, and then they should rectify their guiding thoughts to have a clear concept for work. Meanwhile, all departments must subordinate their operations under the overall scheme of Zhejiang and formulate their objectives, major tasks, and supporting measures within the framework of the objectives and major tasks that the provincial authorities have set for the 1990's. All regions and departments should be good at combining their actual situations with central authorities' general and specific policies, as well as with the projects of the provincial party committee and government and do their jobs creatively.

3. Leading bodies should achieve greater unity through upholding democratic centralism. Leading bodies of all departments should earnestly inspect how they have upheld democratic centralism in recent years and become more aware of the need to enforce this system. All leading bodies must establish or improve their operating systems and their rules of procedures. They should become more united on the basis of upholding democratic centralism. Every leading cadre should display their party spirit, take the interests of the whole into consideration, and take the initiative to safeguard the leading collectives' unity. Leading bodies must continue to improve the system of holding regular democratic meetings and promote mutual understanding, distinguish right from wrong, eradicate misunderstandings, and promote unity through making criticism and self-criticism at these meetings. Leading members should be encouraged to have heart-to-heart talks with each other, exchange information, support each other, befriend each other, and understand each other so that they will work cooperatively and assist each other like passengers on the same boat. Powerful disciplinary measures will be taken to deal with those members whose disunity and discord have seriously undermined leading groups' normal operations, and who refuse to mend their ways despite assistance and education.

4. Leading bodies should heighten their morale, change their work style, and do solid work. Conditions today are favorable for work in all fields: The central authorities have set their cardinal policies; Zhejiang has clearly

defined its objectives for the 1990's, and the masses of cadres and people are eager for faster reform, opening up, and economic development. The key lies in the leading bodies. They must work with higher morale and a sound mental state, change their work style, and do solid work. They must demonstrate a pioneering spirit and take the initiative in meeting the basic requirements set by Comrade Jiang Zemin. While working on their respective posts, they should make painstaking efforts to initiate new projects, carry them out with an exploratory spirit, and dedicate themselves to their work selflessly and earnestly. Leading cadres must be determined to combat bureaucratism and formalism while doing their work, make it a constant practice to conduct investigation and study, visit the grass-roots units to find facts and listen to the masses to understand their needs, seriously study the new situations and new problems encountered during reform and opening up, as well as economic development, promptly sum up and popularize the new experiences that the masses have gained from their work and provide more specific guidance and supervision so that all projects will be accomplished. To improve their service and operating efficiency, party and government organs must continue to change their functions, streamline their operations, decontrol powers, and take greater initiative in serving the socialist market economy, the grass-roots units, and the masses.

5. Leading bodies must enforce disciplinary measures and intensify the work of improving party conduct and ethics. Leading bodies of all departments in Zhejiang must act firmly and take the initiative to do ideological and political work while handling economic affairs, and they must regard improving party conduct and ethics as an important project to accomplish. All leading cadres must set an example with their personal deeds. They must set an example in observing party discipline and state laws, perform their duties honestly, and serve the people wholeheartedly. To provide more effective supervision over leading party members' conduct and ethics, party and government organs throughout Zhejiang must establish three systems meant for ensuring proper party conduct and ethics: 1) The system governing leading party and government cadres' responsibilities in supervising conduct and ethics; 2) the system of publicizing affairs in which the interests of party and government departments are closely related to those of the masses; and 3) the system of evaluating the performance of leading cadres. These three systems will be carried out after specific implementation measures have been drawn up by the discipline inspection commission, supervisory department, and organization department of the provincial party committee.

Li Zemin concluded: To make sure that leading bodies are properly built, the provincial party committee has decided that leading groups of one level will oversee the performance of the leading groups one level below. Provincial authorities will take charge of the operations in their subordinate organs. Provincial organs should basically accomplish their projects in approximately one month,

beginning now. When they have accomplished the assignments, members of the provincial party committee standing committee and vice governors will hear separate reports, and then all departments will submit their reports to the provincial party committee. The provincial party committee will assemble the relevant parties to review their experiences at an appropriate time.

Wan Xueyuan urged leading cadres of all provincial departments and units to attach great importance to this project, saying that they should proceed with the project of building stronger leading groups along with projects to improve operations. He said that the relationship between enforcing party discipline and government regulations and enlivening and developing the economy must be correctly handled, adding that principal leading comrades must be personally involved in drawing up plans for building stronger leading groups and in supervising the process to make sure that actual results will be achieved.

### Central-South Region

#### Guangdong Security Chief on Countering Triads

HK1006150593 Hong Kong WEN WEI PO in Chinese  
28 May 93 p 10

["Dispatch" by staff reporter: "Guangdong Public Security Department Director on Four Principles for Cracking Down on Triads"]

[Text] Guangzhou, 27 May (WEN WEI PO)—Chen Shaoji, director of the Guangdong Provincial Public Security Department, stressed today: The Chinese public security departments position on punishing, banning, and cracking down on underground criminal societies is consistent. As far as underground criminal societies are concerned, the phrases "being patriotic" or "not patriotic" simply do not apply.

In an interview with Hong Kong mass media, Chen talked about the Chinese police's four principles for dealing with underground criminal societies. 1) On no account will underground criminal societies based beyond the country's borders be allowed to set up organizations and recruit new members on the Chinese Mainland—including Guangdong. If such organizations are discovered, they will be resolutely banned. 2) If members of underground criminal societies based beyond the borders commit crimes on the Chinese Mainland, they will be investigated and held responsible according to the law. 3) It is also impossible for such members to flee and hide on the mainland after committing crimes in areas beyond the country's borders. Some precedents for this have been set. After committing crimes in Hong Kong and Macao, some criminal society members have fled to Guangdong. As long as they are discovered by the Guangdong police, they will be arrested and deported to Hong Kong and Macao to be brought to justice there. 4) Some mainland criminal

gangs which model their activities after the underground criminal societies in Hong Kong will be resolutely banned.

Chen revealed: Since the beginning of this year, the Guangdong police have arrested and deported 14 criminals to Hong Kong, among them members of underground criminal societies based beyond the borders. In arresting these criminals, Guangdong policemen made many painstaking efforts and even risked their lives at critical junctures. In some cases, arrests were made after a soul-stirring struggle. In the middle 10 days of May, Liao Huang-yu, a member of Hong Kong's "Wo Sing Wo" triad organization, opened fire on a policeman in Huiyang's Danshui. Later, he was shot to death, but the policeman also died in the course of performing his duty.

Chen went on to say: The Guangdong police have not found any cases of underground criminal societies based beyond the country's borders engaging in "money laundering" on the mainland. It has, however, taken notice of the reports carried on this topic in the mass media beyond the borders and has set out to study the issue by using the experience of the International Criminal Police Organization as a reference. He was convinced that the problem could be prevented through further research and exploration, such as improvement in the law.

Chen Shaoji also revealed: From January to March this year, the Guangdong police smashed 2,683 criminal gangs of all types, including triads, and arrested 10,300 gang members or more. This proves the severity of the mainland's laws on cracking down on criminal activities. Thanks to the severe blows and punishment given to these kinds of criminals according to the mainland's laws, these criminal gangs are not able to become an evil force in society.

#### Report on Guangdong Nonstate-Owned Enterprises

HK1106095393 Guangzhou Guangdong People's Radio  
Network in Mandarin 1000 GMT 8 Jun 93

[Text] According to the latest statistics, the total registered capital of nonstate-owned enterprises in Guangdong has exceeded that of state-owned and collective enterprises. The total registered capital of state-owned enterprises has dropped to second place.

At present, out of the total number of enterprises in Guangdong, state-owned enterprises make up 7.6 percent, collective enterprises 18.2 percent, and nonstate-owned enterprises 74.2 percent. The proportion of employees engaged in each of the above three kinds of enterprises stands at 30, 38.3, and 31.7 percent, respectively; while the registered capital of the three kinds of enterprises accounts for 30.2, 16.4, and 53.7 percent of the total, respectively.

The statistics clearly show that Guangdong's nonstate-owned enterprises have taken their initial shape, thus bringing about new changes to the ownership structure of

industrial and commercial enterprises across the province. However, since most state-owned enterprises are large and medium industrial and commercial industries, their industrial output value still accounts for 70 percent of the total.

### **Guangdong Changes Foreign Processing Industry**

HK1306031193 *Guangzhou NANFANG RIBAO*  
in Chinese 23 May 93 p 1

["Commentary" column by reporter He Shaoying (0149 1421 3853): "Guangdong's Foreign-Related Processing Industry Shrinks; Policy Readjustment Expected To Rejuvenate It"]

[Text] A few days ago, the Second Session of the Eighth Guangdong People's Congress Standing Committee adopted the "Regulations for Foreign-Related Processing and Assembling Industry" (hereinafter "Regulations"), which will be of great significance in curbing the shrinking trend of Guangdong's foreign-related processing and assembling industry and to rejuvenating the province's advantages.

Guangdong's foreign economic cooperation started from processing and assembly. To date, there are 25,000 enterprises in Guangdong with 1.8 million workers involved in assembling and processing materials for foreign firms. From September 1979, when the business started, to the end of 1992, Guangdong signed more than 180,000 agreements on assembling and processing materials for foreign businessmen, the agreed-upon use of foreign capital totaling \$8.82 billion, the actual use of foreign capital totaling \$4.84 billion, and foreign exchange earned from processing totaling \$7.12 billion. In recent years, however, businesses in this regard shrank, and the trend of decline continued in the first quarter of this year. Compared with the same period last year, the contracts signed by Guangdong for processing and assembly dropped by 23.9 percent in the first quarter of this year, the agreed-upon use of foreign capital dropped 34.4 percent, the actual use of foreign capital went down 31.4 percent, and payment received fell 42.7 percent.

What is the reason for this? It is said that the question is related to understanding; that is, some people onesidedly hold that processing materials for foreign businessmen belongs to "a low level" and "low form"; they disdained it and onesidedly pursued "a higher form." Moreover, the question is also related to policies, a reason which is more important. Preferential policies are not given for processing materials for foreign firms as in other forms which use foreign investment. For example, the three kinds of foreign-funded enterprises can apply for importing cars and vans, provided their investment exceeds \$500,000, while processing materials for foreign firms are not given the same treatment no matter how much investment is made. Sino-foreign joint ventures may purchase raw materials at home with renminbi, but enterprises processing materials for foreign firms must import their raw materials. The three

kinds of foreign-funded enterprises may market 20 to 30 percent of their products in the domestic market (the rate may reach as high as 40 to 50 percent in the mountainous areas), while the processed products cannot be marketed at home. No wonder some people complained that the processing and assembling enterprises are "step sons," who are inferior to others.

In view of such a situation, the "Regulations" adopted by the provincial people's congress standing committee made some new policy-related provisions, such as that processing and assembly enterprises are allowed to import vehicles needed for their production; foreign businessmen are allowed to use foreign exchange to purchase materials from China's foreign trade companies, industrial and trade companies, processing and assembly service companies, and enterprises which have the right to export goods; and the finished products processed and assembled by these enterprises which are sought after in the domestic market and allowed to be imported by the state may be marketed at home with the approval of the provincial foreign economic and trade department and departments concerned. The "Regulations," which are closely related to policies, will be of immediate significance. Generally speaking, it is necessary to promote Guangdong's processing and assembly business and strengthen management in this field through legislation.

Policies and tactics are the party's lifeline. Undoubtedly, the "Regulations" will instill vitality in Guangdong's processing and assembly business. Did not some people complain that the processing and assembly business was "inferior to others"? Now, the "Regulations" have standardized this business and given it preferential treatment similar to that enjoyed by the three kinds of foreign-funded enterprises. As a result, we can go all out to do the work well. The foreign-related processing and assembly industry did attract a large amount of capital, equipment, and technology for Guangdong in the past, contributing to Guangdong's economic development. Now, the "Regulations" have offered policy guarantees for boosting Guangdong's advantages to develop foreign-related processing and assembly industry. With the implementation of the "Regulations," we believe that a new developing situation will emerge in Guangdong's foreign-related processing and assembly business, which will render new contribution to accelerating the pace of Guangdong's modernization.

### **Guangxi Takes Measures To Halt Smuggling**

HK1206041393 *Beijing ZHONGGUO XINWEN SHE*  
in English 0818 GMT 11 Jun 93

[Text] Nanning, June 11 (CNS)—The Vice Governor of the Guangxi Zhuang Autonomous Region, Mr Lei Yu, speaking at a meeting to launch an anti-smuggling campaign in the region, said that the region had to adopt measures to deal a big blow to smuggling activities so as to safeguard reform, expand opening to the outside world and invigorate the border trade.

Mr Lei pointed out that some localities and organs had in recent years not done their best in countering illegal activities which, he noted, were on the increase. A handful of organs had been guilty of smuggling in defiance of party discipline and state laws for the sake of profit.

Smuggling activities in Guangxi are always carried out in the name of border trade with collaboration between unscrupulous elements from inside and outside the autonomous region while in some cases law enforcement officers are involved or offer protection.

The main anti-smuggling measures should include, according to Mr Lei, first of all, the closure of various border trade piers along the coast and an immediate halt to all border seaborne trade activities.

Second, bodies specializing in border trade which are located in areas where coastal piers for border trade are located should stop their appraisal and approval processes for border trade at sea and should not collect taxes and other monies.

Third, no department is entitled to impose border trade taxes under any pretext on the export or import of goods through coastal piers.

Fourth, checks have to be strengthened at land ports, thoroughfares and inland border lines. Smuggled items have to be blocked at border checkpoints.

Individual entities and a handful of entities defying warnings against smuggling have to be brought to court, Mr Lei said, adding that the authorities had to strengthen their anti-smuggling forces and crack down on serious cases.

### Southwest Region

#### State Council Sends Inspection Group to Guizhou

HK1306030993 Guiyang Guizhou People's Radio  
Network in Mandarin 2300 GMT 8 Jun 93

[Excerpts] With a view to extensively heeding opinions from all sides, a Guizhou-bound inspection delegation, which was headed by Wen Jing, State Nationalities Affairs Commission vice chairman, and attended by relevant ministries and commissions of the State Council, held discussions in a Guizhou Provincial Government office yesterday morning [8 June] with leading comrades of the provincial party committee, provincial advisory commission, provincial people's congress, provincial Chinese People's Political Consultative Conference [CPPCC], and provincial government on the economic development of Guizhou's minority nationality areas.

On behalf of the provincial party committee and provincial government, Governor Chen Shineng first extended warm welcome to the inspection delegation on their inspections in Guizhou. [passage omitted]

After briefing the inspection delegation on Guizhou's geographic and climatic conditions, as well as the distribution of minority nationalities, Chen Shineng indicated: The 1990's are crucial to Guizhou's economic development. Party committees and governments at all levels throughout the province are determined to organically integrate the gist of the 14th party congress with Guizhou's practical conditions; seize current favorable opportunities to speed up the pace of reform, opening up, and economic construction; try hard to bring about a 9 percent average annual growth to Guizhou's gross national product [GNP]; and strive to quadruple the 1980's GNP at the early stage of the Ninth Five-Year Plan period.

When talking about the economic work in Guizhou's nationality areas, Chen Shineng said: Guizhou is a populous province with a weak economic foundation. Therefore, we hope the state can take into consideration Guizhou's actual conditions, increase the quotas of work-relief programs in farmland capital construction, increase free input, intensify the degree of aid-the-poor work, and grant preferential policies and financial assistance to help township and town enterprises attain further development.

When talking about the development of township and town enterprises in Guizhou, Chen Shineng indicated: Guizhou's township and town enterprises have undergone remarkable development since the Third Plenary Session of the 11th CPC Central Committee. However, Guizhou's township and town enterprises still lag behind others, mainly due to Guizhou's weak economic foundation, their late start, and their lack of sufficient funds to attain further development. Therefore, we hope that the state can grant Guizhou annual loans worth 500 million yuan out of its 5 billion yuan special-purpose loans for supporting the development of township and town enterprises in central and western parts of China. [passage omitted]

#### Guizhou Governor Addresses New Government

HK1306055693 Guiyang Guizhou People's Radio  
Network in Mandarin 2300 GMT 4 Jun 93

[Text] The new provincial government held its first plenary meeting in Guiyang yesterday. Governor Chen Shineng stressed: The central task of this government is to seize the opportunity to accelerate the pace of reform, opening up, and economic construction; to strive to achieve 400 percent provincial economic growth during the Ninth Five-Year Plan period; and to enable people to steadily solve the problem of food and clothing and to gradually move towards a relatively comfortable life.

Governor Chen Shineng made a long speech entitled "Seizing the Opportunity; Firmly Grasping the Current Deepening of Reform and Acceleration of Development." He elaborated on the government's work in five respects:

First, we must properly handle the relationship between seizing and utilizing the opportunity and have a correct understanding of the Guizhou's development situation in an all-around way, and this is the ideological precondition for realizing the work objectives of this government.

Second, we must properly handle the relationship between the pace of development and organizational benefits and go all out to grasp well current agricultural and industrial production, and this is the important factor for realizing the work objectives of this government.

Third, we must properly handle and firmly grasp the relationship between current and long-term development and accelerate the construction of key industries and infrastructure, and this is the strategic focus for realizing the work objectives of this government.

Fourth, we must properly handle the relationship between accelerating and deepening reform and expedite the pace of reform and opening up, and this is the fundamental way for realizing the work objectives of this government.

Fifth, we must properly handle the relationship between emancipating the mind and seeking truth from facts and vigorously strengthen and improve government work, and this is the major means for realizing the work objectives of this government.

When talking about the economic situation of Guizhou, Comrade Chen Shineng pointed out: At present, the overall situation of the provincial economy and society is good and the development is healthy. While accelerating reform, opening up, and economic construction, we are still confronted with a number of difficulties and problems, and some are quite complicated. Leading cadres of various localities, particularly leading cadres at the three levels of the province, prefectures, and counties, must fully understand contradictions and problems arising in current economic operations. We would rather overemphasize problems so that we can know what's what and be sober-minded. They must on no account lower their guard and relax in such a way that problems cannot be solved in real earnest. Likewise, they must not be panic-stricken and lose confidence when coming across problems.

Chen Shineng pointed out that the current work focus of this government is mainly to concentrate its energies to accomplish several tasks:

First, we must try to achieve a pace of development which brings about benefits; second, we must try to fight for a good harvest in agriculture; third, we must try to maintain rapid industrial growth; fourth, we must try to increase financial revenue; and, fifth, we must try to do well in safeguarding the financial situation.

Regarding the fundamental way to realize the work objectives of this government, Governor Chen Shineng said: We must further concentrate our strength to develop highly effective products such as cigarettes and

alcoholic drinks with local resources and economic superiority and with strong fund-raising and accumulation capability; focus on supporting such high-quality key industries as cars, electronics, light industry, and building materials, which have strong impetus for promoting the provincial economy and have strong competitiveness; and conscientiously enhance key industries and infrastructure which have a bearing on the reserve strength of overall development. This is the orientation of our province's industrial development. In the 1990's we must be far-sighted in development while ensuring rapid economic growth, properly combine the current situation with the future, enhance reserve strength for further development, and create conditions for Guizhou's vigorous economic development by the end of this century.

Governor Chen Shineng stressed in his speech: The key to drawing up policies and principles of this term of government is to firmly grasp implementation. Hence, this government must emancipate its mind, seek truth from facts, have strict administration, be diligent and honest, establish rules and regulations, be cooperative with each other, and work together with one heart to promote the economy of Guizhou.

Vice Governors Yuan Ronggui, Gong Xianrong, Zhang Yuqin, and Yao Jiyuan, and Secretary General (Zhang Peiliang) attended the meeting. Directors of various departments and bureaus under the provincial government, commissioners of various prefectures, chairmen of various autonomous prefectures, mayors, and leading comrades of provincial units under the central authorities attended the meeting. Comrade (Ye Yanggui) was appointed as economic adviser of the provincial government.

## North Region

### Tianjin Secretary Gao Dezhan Attends Events

#### At Congress Opening

SK1306235493 *Tianjin People's Radio in Mandarin*  
2300 GMT 12 Jun 93

[Excerpts] The first session of the 12th Tianjin Municipal People's Congress ceremoniously opened in the Tianjin Auditorium on 12 June. Seated in the front row of the session's rostrum were the executive chairmen of the session and executive members of the session's presidium, including Gao Dezhan, Nie Bichu, Wu Zhen, Wang Xudong, Yang Huijie, Li Yuan, Lu Xuezheng, Pan Yiqing, Zhu Wenju, Wang Chenghuai, Qian Qiao, and Huang Qixing.

Wu Zhen presided over the opening ceremony of the session. [passage omitted]

During the session, Mayor Nie Bichu delivered a government work report entitled "Open to the Outside World. Relax the Restrictions Flexibly. Make All-out

Efforts, Do Practical Deeds, and Strive To Accelerate the Municipality's Economic and Social Development". [passage omitted]

The report of Mayor Nie Bichu is composed of the following seven parts: 1) The review of the work done over the past five years; 2) efforts to scale a new level of economic development; 3) accelerating the shifting of the planned economy to socialist market economy; 4) opening the municipality to both domestic places and foreign countries in all directions; 5) efforts to upgrade the whole quality of the national economy; 6) active efforts to promote the overall progress of the society; and 7) the enhancement of carrying out construction of governments at all levels. [passage omitted]

Also seated on the session's rostrum were the comrades of Zhang Lichang, Li Jianguo, Li Shenglin, Liu Jinfeng, Yan Dakai, Yang Zhihua, and Yang Huichuan; as well as members of the session's presidium. [passage omitted]

Attending the session as observers were personnel from the 11th municipal people's congress standing committee, responsible persons from various committees under the municipal people's congress standing committee, personnel from the municipal people's government, responsible persons from some departments under the municipal people's government, deputies of the National People's Congress who are currently in Tianjin, and all members of the ninth municipal Chinese People's Political Consultative Conference Committee.

#### **Joins Festival for Disabled**

*SK1406015893 Tianjin TIANJIN RIBAO in Chinese  
13 May 93 p 1*

[Text] With excitement, people came to the municipal gymnasium, talking in sign language, holding canes, or supporting each other. The first Tianjin Municipal festival for the disabled opened ceremoniously on the evening of 12 May amid an atmosphere of love and sincerity. Leading comrades, including Gao Dezhan, Nie Bichu, Zhang Lichang, Li Jianguo, Wu Zhen, Zhang Zaiwang, Yang Zhihua, Yang Huijie, Liu Fengyan, Shi Jian, Song Pingshun, Xiao Yuan, He Guomo, and Zheng Zhiying, attended the opening ceremony. Deng Pufang, president of the Chinese Federation for the Disabled; Xu Wenbo, vice minister of culture; and pertinent comrades of the State Education Commission, also made a special trip from Beijing to attend the opening ceremony.

Before the opening ceremony, the leading comrades cordially met at the conference room of the municipal gymnasium with representatives of the model disabled people of the municipality. Comrade Gao Dezhan said to the representatives that as the national aid-the-disabled day was drawing near, he would extend cordial greetings to the disabled people and their families throughout the municipality. He said that, as always, the municipal party committee and government would show concern and support for the work concerning the disabled and, based on what had been achieved, raise the

work to a new level. He urged the disabled people to attain self-improvement and self-support and make new achievements in work. Deng Pufang felt excited for everyone to gather together. He said that activities like the festival proved to the society that the disabled people had ability, accomplishment, and morale and reflected their self-improvement, self-support, and self-respect spirit.

At the opening ceremony, disabled people from the municipality and other areas staged a large theme literary and art performance "Affection Is Warmer Than Spring." The festival was sponsored by the municipal culture bureau, radio and television bureau, education bureau, civil affairs bureau, and federation for the disabled.

#### **Meets District Delegation**

*SK1406021693 Tianjin People's Radio in Mandarin  
2300 GMT 13 Jun 93*

[Text] On the morning of 13 June, while speaking at the discussion meeting of the Heping District deputation to the people's congress session, Comrade Gao Dezhan called for giving top priority to seizing the opportunity and accelerating development in doing all items of work. [words indistinct] He said: The current people's congress session has manifested the idea of seizing the opportunity and accelerating development. Accelerating development is the demand of [words indistinct], but it must be based on improving the level, optimizing the structure, and increasing efficiency. In accelerating development, [words indistinct], enterprises and operational units should increase economic efficiency, and the vast numbers of staff and workers as well as the masses throughout the municipality should improve their living standards.

Comrade Gao Dezhan said: In seizing the opportunity and accelerating development, the most important thing is to proceed from the reality and the most critical thing is to make the best possible use of our advantages and avoid our weaknesses. All district, counties, bureaus, and departments should find out the advantages on their own and spend their funds where they are needed most. By doing so, we can get twice the results with half the effort. The acceleration of development is an accumulation of results in each step. The only way to accelerate development is to subject all items of work, all fields, and all links to comprehensive management and to make all fields and all links work hard and offer advice together in line with the viewpoint of systems engineering.

Comrade Gao Dezhan stressed: Seizing the opportunity and accelerating development [words indistinct]. It is not enough to merely conduct discussions for it, to enhance understanding, and to change ideas. We must truly and practically attend to the work and pay attention to implementation. We should turn our understanding and measures into practical actions. We should tell the truth, do tangible deeds, stress practical methods, and strive for practical results. What is most important is to get practical results. We cannot stop the work until

practical results are achieved. All districts, counties, bureaus, and departments should establish responsibility systems for all items of work one by one, and the responsibility system should be combined with the systems of examining cadres and giving cadres rewards or punishment. In particular, leading cadres at all levels should take the lead in performing their duties. In doing everything, we should always bear in mind the masses. When we see there are problems among staff members and workers, we cadres should feel that we have burdens on ourselves. [words indistinct] In the next step, the municipal authorities will consider to continuously delegate more powers to various districts and counties. [words indistinct] We should seek truth from facts. Where possible, all localities should develop themselves at an overly rapid speed. The localities which have no conditions should not be forced to do so. [words indistinct] The people throughout the municipality should seek unity of thinking, enhance their morale, strengthen their confidence, and truly attend to work in order to rapidly develop Tianjin.

### Northeast Region

#### Sun Weiben Attends Heilongjiang Exhibit Preview

SK1406020993 Harbin Heilongjiang People's Radio Network in Mandarin 1000 GMT 13 Jun 93

[Text] The preview of the fourth China Harbin border economic and trade symposium was held at the provincial economic and trade exhibition center this morning. Sun Weiben, secretary of the provincial party committee; Shao Qihui, provincial governor; and other leaders watched this preview.

Today, the exhibition hall of the provincial economic and trade exhibition center for holding the provincial economic and trade symposium was gaily decorated. One hundred and thirty-eight exhibition booths were loaded with all kinds of commodities. According to a briefing given by a responsible person of the office in charge of the exhibition of the economic and trade symposium, as of today, businessmen from all parts of the country, except the Tibetan Autonomous Region, had come to participate in this trade symposium.

After watching the exhibition preview, Sun Weiben and Shao Qihui said: The exhibits arranged for this economic and trade symposium are in conformity with demand. The categories of commodities are not as many as the past economic and trade symposiums, but the varieties have increased and the commodity grade has been improved. Sufficient spaces are arranged for businessmen to hold trade talks at the exhibition hall. The Heilongjiang exhibition delegation, in particular, has exhibited its commodities according to their different categories, making things convenient for businessmen to make appraisals and comparisons and meeting the expected demand.

Sun Weiben and Shao Qihui also specially stressed: Being the host, we should foster a service spirit and give particularly good service to enterprises and businessmen from other provinces who participated in the economic and trade symposium for the first time. In addition, we must prevent fake and inferior products from entering this trade symposium.

#### Heilongjiang Investment Opportunities Noted

HK1406050493 Beijing CHINA DAILY  
(RECLAMATION SUPPLEMENT FOR FOREIGN INVESTMENT) in English 14 Jun 93 p 1

[Report by Wang Xilu and Liu Wenju: "Heilongjiang an Ideal Place for Cooperation"]

[Text] The Heilongjiang Agricultural Reclamation & Economic Area, which used to be one of the most desolate areas of wasteland in China, has emerged as the biggest State-run mechanized farms group today.

Located in the neck of swan-like Heilongjiang Province in North China, the green reclamation area covers 56,000 square kilometres including two million hectares of cultivated land. It embraces Wanda Mountain, the Greater and Lesser Xing'an Mountains and Sanjiang and Songnen Plains, boasting rich soil and abundant products.

The reclamation area's economy is based on agriculture, stock raising, products processing and trading.

As one of China's commodity grain, agricultural products and by-products bases, the farm group contributes one-tenth of the nation's total soybean output and raises 20 percent of milk cows in Heilongjiang Province.

Its industry covers milk products, wine, grain, fat processing, medicine, sugar and papermaking, canned food, coal mining, gold mining, fertilizers, construction materials, and agricultural machinery making and maintenance.

In expanding Sino-foreign trade and technological exchanges, the reclamation area opens itself to the outside world and has established economic and technological relations with more than 130 companies from over thirty countries and regions including U.S., Japan, Germany and Australia.

Border trade with Russia and C.I.S. republics is growing rapidly.

Our 38 farmlands and pastures share a 840-kilometre boundary line with Russia and other CIS republics, along which dozens of ports like Suifenhe, Heihe, Jixiang, Danbizen and Tongjiang are convenient land channels to develop trade with neighbouring countries.

Situated in Northeast Asia Economic Circle, the Heilongjiang Reclamation Area is a component of both domestic and international markets.

It supplies soybean, rice, corn, soybean dreg, beet dreg, rape dreg, herbage, protein forge, edible wild herbs, huso sturgeon seeds, black fungus and pilose antler to the overseas market.

The reclamation area is also a big market for agricultural productive materials such as agricultural machinery, fertilizer and seeds as well as capital and technology.

When the reclamation area was first explored in 1947, the land was mostly wilderness.

But four decades of development has transformed the area from poverty to prosperity.

Now the area has more than 100 farmlands and pastures as well as 140 small towns with convenient living, schooling, and recreational facilities. Of the total 1.56 million population there, 760,000 people are staff workers engaging in various professions.

The area is also rich in land and mineral resources to be jointly developed by businessmen from home and abroad.

In addition to 7.43 million mu (495,000 hectares) of pasture and grasslands, 12 million mu (800,000 hectares) of forests, 9.8 million mu (653,000 hectares) of water area, there are 13.5 million mu (900,000 hectares) of wasteland and manifold underground mineral resources such as iron, copper, aluminum, graphite, quartz and marble waiting for exploration.

The reclamation administration is striving to improve the investment environment in the area to promote trade.

The central government has granted the area foreign trade rights, supplemented by the local governments' preferential policies offered to the wholly foreign-funded or joint projects.

Progress has also been made in traffic and telecommunication facilities. More than three hundred faxes are dispatched and received each day through the advanced domestic and international direct dial telephones.

The area has established a series of economic and trading agencies in Beijing, Shanghai, Tianjin, Dalian, Shenzhen, and Zhuhai.

All of these will provide very favourable conditions for the area to participate in the national and international economic surge.

The reclamation area is also famed for its unique tourism resources. The seasonal distinguished natural landscapes attract hundreds of thousands of visitors from home and abroad every year.

The central government is determined to develop a market oriented economy.

The reclamation area will open its doors even wider and welcome more international corporations, overseas Chinese, Hong Kong and Macao compatriots to forge closer widespread cooperation.

#### **Jilin Police Find Explosives at Railway Station**

SK1006023593 Changchun JILIN RIBAO in Chinese  
30 May 93 p 6

[Text] Since the beginning of May, policemen on duty at the police substation of Tumen Railway Station have discovered large amounts of explosives while examining goods carried by passengers.

On 10 May, Qu Xingwu, a policeman on duty, discovered 16 detonators, 20 explosives, and 4 meters of blasting fuses while examining the goods carried by passenger Meng Xianzhang. Meng Xianzhang stole these goods at an individually run stone quarry in Hunchun city.

On 13 May, Zhang Jixiang, a policeman on duty, discovered 40 explosives, 20 detonators, and 7.5 meters of blasting fuses when examining the goods carried by passengers Wang Quan and Zhou Jinghai. These two men confessed that they stole the explosives at an individually run stone quarry in Liangshui Town of Tumen city. At 1200 on the same day, Qu Xingwu, a policeman on duty, discovered 21 detonators in passenger Lin Fengjun's bag. This man stole and secretly hid the detonators when excavating stones together with the sixth work team of Guanmen Village of Hunchun city. The police substation of Tumen railway station respectively took in and examined these persons with explosives and also detained and punished them according to the security administration regulations.

We may realize from the incidents above that most of the explosives were from individually run collieries and stone quarries. Once these goods are carried on the trains, they become a serious menace to railway transportation and to the passengers' lives and property. To this end, the writer called on the relevant units to strictly manage the explosives; set up and perfect necessary systems; and set up strict procedures for applying for, using, and examining explosives. Simultaneously, we should strengthen propaganda work and education on the legal system to strictly prevent explosives from flowing into society.

#### **Liaoning Economic Efficiency 'Has Not Been High'**

SK1206073493 Shenyang Liaoning People's Radio  
Network in Mandarin 1000 GMT 11 Jun 93

[Excerpt] As shown by the industrial appraisal and assessment results released by the provincial Statistical Bureau, the overall economic efficiency level of the province has not been high since the beginning of this year, and the comprehensive economic efficiency index of the province dropped by 5.49 percentage points from

the corresponding period last year. Major reasons are: Enterprises' funds for finished products and delivered products and the payment from selling goods have been [words indistinct], the turnover of funds has been slow, and the results in using funds have been poor. In addition, the slack management of enterprises, the increase in materials consumption, and the high cost in production have seriously affected economic efficiency.

By locality: Anshan, Fushun, and Benxi cities have registered an increase in their comprehensive economic efficiency index compared to the same period last year; while Liaoyang, Panjin, and Jinxi cities registered a decline in this aspect. By product: the marketing of industrial products has been better than in the corresponding period last year in most cities, except for Yingkou and Fuxin. [passage omitted]

### Northwest Region

#### Gansu Secretary Urges Attention to Work Style

HK0906133193 Lanzhou Gansu People's Radio  
Network in Mandarin 2300 GMT 5 Jun 93

[Text] When hearing a work report of the group examining work style building of organs directly under the provincial authorities yesterday, Provincial Party Secretary Gu Jinchu pointed out: The work style of organs is, in fact, an issue concerned with whether leading groups can take the mass line and rely on the masses to do the work properly. Each unit should list work style building as an important item on its agenda.

In late May, the work style building leading group of organs directly under the provincial authorities organized an inspection group to inspect the situation of work style building in 56 units directly under the provincial authorities. The result shows that, in the current work style building operation, all of the units have been able to gear their actual operation to the construction needs of the socialist market economy, transform their functions, and intensify services. As reflected by the masses, the level of attention paid to the work style of an organ can bring about totally different results, so it is necessary to make unremitting efforts to refine work style.

Gu Jinchu affirmed the achievements scored in the current work style building. He said: The work style of organs should be grasped in combination with the establishment of systems and with the implementation of the responsibility system, and this work should be done on a regular basis. Gu Jinchu stressed: Leading cadres should be bold in handling hot issues about which the masses have grievances, and it is necessary to select some typical, positive cases, draw experience from them, and give publicity to them. Sun Ying, deputy provincial party secretary, and Rao Fengzhu, member of the provincial party Standing Committee and secretary of the commission for discipline inspection, also attended the meeting.

#### Song Hanliang Calls For Developing Private Economy

OW1206234093 Urumqi XINJIANG RIBAO in Chinese  
23 May 93 p 1

[Unattributed report: "Song Hanliang Stresses the Need for Free Development of Non-State-Owned Enterprises While Holding Discussions With Responsible Persons of Village and Township Enterprise Bureau and of Other Bureaus in the Autonomous Region"]

[Text] Song Hanliang, secretary of the Xinjiang Autonomous Regional CPC Committee, recently held a forum with responsible comrades of the autonomous region's village and township enterprise bureau, statistical bureau, administration for industry and commerce, taxation bureau, financial and economic office, and other departments; they discussed ways to accelerate the development of village and township enterprises and private economy in the autonomous region.

Song Hanliang said that compared with the rest of the country, Xinjiang is very weak in the development of village and township enterprises and private economy. The output value of the autonomous region's village and township enterprises only accounts for 5.94 percent of total social output value, which pales in comparison with the nation's ratio of 26.5 percent and which cannot be compared with other provinces and regions; the output value of their village and township enterprises constitutes half of all social output value. Therefore, we should repeatedly stress the need to vigorously develop village and township enterprises with secondary industry and tertiary industry as the main areas of development. We should particularly give a free hand in the development of private economy. Once we have done a good job on the development of the non-state-owned enterprises and helped the development of hundreds and thousands of private enterprises, we may pool idle funds and use them for production and construction and to increase wealth in society. Enhanced productivity will generate powerful economic strength that will give hope for the economy's taking-off and developing.

Song Hanliang said the free development of non-state-owned enterprises requires all in the government administrative departments to become more open-minded; they need to carry out good investigative work, unreservedly delegate powers, and render good services in all areas. The most important thing is to give equal treatment to state economy and private economy. In the past, we stressed developing collective-owned enterprises in our guiding thought. We tended to emphasize state and collective-owned enterprises to the neglect of private ones in our actual work. This concept needs a thorough change. As long as economic activities are conducive to developing productive forces in our socialist society, increasing the overall strength of our socialist country, and improving the people's living standards, there is no need to argue about whether we are "capitalist" or "socialist." It behooves us to raise the issue

of developing non-state-owned enterprises to a high plane in promoting the development of productivity; all must advocate the raising of productivity. Administrative departments for industry and commerce should turn the enterprise review and approval system into a registration system; in other words, they may "let the passengers come aboard first and buy tickets later." They should handle things like this: If you want to run an enterprise, I will help you register and issue you a permit; I will do away with the complicated enterprise review and approval system. As for taxation departments, they should vigorously support non-state-owned enterprises, adopt a relaxed policy, lower and exempt taxes whenever they can, "fill the pond with water to breed fish," and adopt more preferential taxation policies

for hard-pressed village and township enterprises in border areas and other non-state-run enterprises. Competent departments in charge of village and township enterprises must make firm determinations to improve management. Village and township enterprises enjoy the advantage of having flexible mechanisms, which need to be further perfected and adapted to the socialist market economy system. Village and township enterprises should further put their advantages into play and take part in competition. They must shy away from the management style that was practiced in the state-run enterprises under the planned economy system; they must not run their enterprises in the style of state-run enterprises. If they do, they will choke off their own vitality.

**Official Leaves for U.S. on Rhino Horn Issue***OW1406093993 Taipei CNA in English 0756 GMT  
14 Jun 93*

[Text] Taipei, June 14 (CNA)—Lin Shiang-nung, vice chairman of the Council of Agriculture, left for the United States Sunday [13 Sunday] in an effort to stave off a possible trade sanction by the United States for alleged trading of rhino horns and tiger bones.

Lin said prior to departure that his mission is to tell Washington of the efforts made by the ROC [Republic of China] in cracking down on illegal trading of rhino horns and the implementation of related conservation laws.

The Department of the Interior said last week that the Clinton administration will impose trade sanctions against the ROC if Taipei fails to ban trade in rhino horns by June 30.

During his U.S. visit, Lin will also express the ROC's desire to participate in international wildlife preservation organizations. He is scheduled to return on June 18.

**Government Refutes Compact Disc Piracy Charges***OW1206012193 Taipei CNA in English 1400 GMT  
11 Jun 93*

[Text] Taipei, June 11 (CNA)—The Ministry of Economic Affairs Friday [11 June] refuted an international recording industry organization's accusation that Taiwan produced nearly half of 180 million suspected pirated compact discs (CDs) made in Asia annually.

Vice Economics Minister Sheu Ke-sheng said the accusation by the Federation of International Recording Industries [IFRI] was highly exaggerated, as the maximum number of CDs produced by Taiwan's seven known CD factories could not have exceeded 5 million per year.

Sheu said the Economics Ministry will ask IFRI to clarify its charges. Other ministry officials said only two of the seven Taiwan plants had been caught manufacturing counterfeit CDs.

The officials urged local companies to report unsubstantiated claims of commercial piracy by foreign trade associations, because these charges can harm Taiwan's international image and result in heavy pressure from foreign governments.

**Strait Foundation Delegation Arrives in Beijing***OW1406090093 Taipei CNA in English 0815 GMT 14  
Jun 93*

[Text] Beijing, June 13 (CNA)—A six-member delegation from the Straits Exchange Foundation (SEF) arrived in Beijing Sunday [13 June] to begin an 11-day visit to the mainland which will also take them to Xian and Shanghai.

The leader of the group, SEF Deputy Secretary General Li Ching-ping, said upon arrival that the group aims to explore better channels for cultural exchanges.

In the next few days, the group will call on mainland cultural officials, visit television networks and museums.

Li said that he will try to take a closer look at the measures taken by the mainland in protecting intellectual property rights and the cooperation between Taiwan movies stars and their mainland counterparts in film making.

He expressed the hope that relations between the two sides will improve through increased cultural exchanges.

Liu Gangqi, deputy secretary general of the Association for Relations Across the Taiwan Straits (ARATS), hosted a dinner to welcome the first SEF delegation to visit the mainland since the historic meeting of SEF and ARATS chiefs in Singapore in April.

SEF and ARATS are quasi-government organizations empowered to deal with problems arising from increased exchanges across the Taiwan straits.

**Former Dissident Comments on DPP Policy***OW1406093893 Taipei CNA in English 0811 GMT  
14 Jun 93*

[Text] Hong Kong, June 14 (CNA)—Taiwan's opposition Democratic Progressive Party (DPP) needs to change its pro-independence advocate if it intends to become the ruling party on the island, says a former Taiwanese dissident who currently resides in Mainland China.

Chen Gu-ying, who has just concluded his first visit to the island after having been banned by Taipei from a home-coming for 14 years, told the reporter of the Hong Kong-based the Standard that the DPP should not be confined by its pro-independence ideology because by doing so, the party would virtually divorce itself from Taiwan businessmen who were prepared to support the opposition party.

"There are more and more Taiwan businessmen, especially of small and medium-scale enterprises, investing in the mainland. And as most of those businessmen who support the DPP are from small and medium-sized enterprises, the opposition party has to adjust its political stand to capture the interests of this economic force, which is expanding significantly," Chen said.

Chen, once cmndbseed [words as received] of the ruling Kuomintang (KMT) in Taiwan, visited the island with his wife for 40 days and returned to Beijing, where he has been staying since 1984.

"When I was in Taiwan, I also made suggestions to Hsu Hsin-liang, who is chairman of the DPP, saying the

DPP's present policy towards the mainland is an ostracism," said Chen, who met a number of his political friends during his Taiwan trip.

He noted that the DPP's platform advocating independence for Taiwan would scare off the general public in Taiwan, who feared that such advocacy would virtually mean instability.

"If the DPP wants to become the ruling party of Taiwan eventually, it must adjust its party platform so that it will become more appealing to the majority of people," he said.

Chen said the Singapore meeting between Beijing's Wang Daohan and Taipei's Ku Chen-fu—heads of the two quasi-official bodies on cross-strait affairs—was a crucial point for both the KMT and the DPP.

The meeting might also lead to a possible change in the DPP's policy towards the mainland, he said.

#### **Taipei Third Biggest Supplier To Hong Kong**

OW1206094793 Taipei CNA in English 0814 GMT  
12 Jun 93

[Text] Hong Kong, June 11 (CNA)—Hong Kong imported HK\$29,100 million [Hong Kong dollars] worth of goods from the Republic of China [ROC] in the first four months of this year, rising by 15.4 percent from the same period last year, according to government statistics released Friday [11 June].

It made the ROC the third major supplier of goods to Hong Kong, next to Mainland China and Japan.

During the same period, the value of Hong Kong's domestic exports to the ROC was down by six percent to HK\$1,979 million. The ROC still remained as the seventh major market for Hong Kong's domestic exports in spite of the drop.

For re-export business, the value of re-exports to the ROC through Hong Kong amounted to HK\$7,210 million in the first four months of this year, down sharply 19.1 percent from the same period last year.

#### **Taipei, Paris To Promote High-Tech Ties**

OW1206094693 Taipei CNA in English 0825 GMT  
12 Jun 93

[Text] Paris, June 11 (CNA)—The Republic of China [ROC] and France decided in Paris Friday [11 June] to promote a complementary relationship from their existing cooperation bases in industrial field through strategies set up at the Third Annual Conference on Industrial High Technological Cooperation.

Philip C. M. Wang, director general of the ROC Industrial Development Bureau, said the decision had been sustained by public and private enterprises from the two countries after five days of fruitful discussions aimed at contributing to the opening of the ROC market for

French high tech in view of helping the ROC on Taiwan foster the technological and industrial development.

The two governments have agreed that specific opportunities for long term cooperation will arise in energy supply, aeronautics industry, transport equipment, environment protection industry in industrial waste and water treatment and recycling on the bases of technological transfer and production of associated components and parts, Wang precised [as received] at a noon banquet marking the closing of the conference.

Didier Lombard, director general of the French Industrial Strategies, said France will organize seminars and exhibitions in Taipei in the coming months to promote the high tech transfer in such five selected areas as electronics, energy supply, environment industry, telecommunications and transport facilities.

And French enterprises are encouraged to communicate to their ROC counterparts information relevant to transferable technologies and invite ROC firms to visit French facilities for further mutual cooperation, Lombard said.

A joint statement marking the ROC-French Third Industrial Cooperation Conference said that they appointed a person responsible for coordination in each of the five priority sectors to promote joint research activities or work out cooperation projects among public agencies, public research institutes and private companies from the two countries.

The statement noted that the two sides considered crucial to protect intellectual property rights in the implementation of their industrial cooperation projects.

Parallel to the official industrial technological cooperation conference, private sectors from the two countries held the Ninth Economic COoperation Conference at the headquarters of the French National Council of Patronate to review progress made in economic cooperation between the two countries in the past few years and to set new agenda of cooperation for the future.

A statement issued at the end of the five days of panel discussions said that research and development and industrial investment will be further promote, especially in high tech transfer of aeronautics industry, environmental protection industry, electrics and electronics, mechanical automation, energy supply and telecommunications.

C.C. Wang, president of the China External Trade Development Council who co-chaired the conference, said that matchmaking process was going well with the ROC and French firms reaching several contracts or elaborating joint projects during the panel discussions.

The ROC delegation composed of 76 members from public agencies and private firms will visit the 40th International Aeronautics and Space Salon of Paris Saturday before departing for Taipei Sunday.

## Hong Kong

### Article Views Sino-British Talks on Hong Kong

HK1206074393 Hong Kong TZU CHING in Chinese  
No 6, 5 Jun 93 pp 10-12

[Article by Chiang Hai-tsung (3068 3189 1350): "Only by Abiding by the 'Three Conformities' Can the Talks Succeed"]

[Text] When meeting with former British Prime Minister James Callaghan on 17 May, Chinese President Jiang Zemin said that China and Britain are presently holding talks on issues pertaining to Hong Kong's 1994-95 electoral arrangements. He believed that so long as the two sides abide by the "three conformities" principle, the Sino-British talks will yield positive results. Qian Qichen, State Council vice premier and concurrently foreign minister, also stated on the same day that it is only a little more than 49 months away from China resuming the exercise of sovereignty over Hong Kong. The only remaining issue is that the two countries concerned should conscientiously implement and carry out all the existing agreements reached between them. There is no such issue as "constitutional reform" between the two countries. Qian Qichen also stressed: No matter what results will come out of the on-going talks, China will never vacillate in unswervingly adhering to one country, two systems; maintaining Hong Kong's prosperity and stability; and ensuring a smooth transition in Hong Kong.

The aforementioned remarks made by two Chinese leaders have again reiterated China's principled position on the question: To hold talks with the British side on issues pertaining to Hong Kong's 1994-95 electoral arrangements on the basis of "three conformities." The Chinese side will act in good faith and work hard to achieve positive results in the on-going talks. No matter what results come out of the on-going talks, the Chinese side will continue to handle the Hong Kong question in accordance with the Sino-British Joint Declaration and the Basic Law.

### The "Three Conformities" Remain the Only Correct Way of Handling the Hong Kong Question

The "three conformities" refers to conformity with the Sino-British Joint Declaration, with the principle of convergence with the Basic Law, and with all relevant understandings and agreements reached between China and Britain. This principle has truly embodied the overall interests of Hong Kong, as well as the aspirations of Hong Kong citizens. Practice has proven that this principle remains the only correct way of safeguarding a smooth transition as well as long-term prosperity and stability in Hong Kong.

More than 100 years ago, Britain occupied Hong Kong, a Chinese territory, by means of a series of unequal treaties. Therefore, it is only right and proper for China

to recover Hong Kong and resume the exercise of sovereignty over Hong Kong. Originally, we had many other methods of recovering Hong Kong. However, the Chinese side decided to use the method of peaceful negotiation. The reason is that China has taken into full account both the history of and realities in Hong Kong and concluded that adopting such a method is conducive to maintaining Hong Kong's prosperity and stability. By adopting a method that is conformable to both the interests of Hong Kong citizens and the interests of the whole country, China also showed concern for the interests of Britain. After holding negotiations, the Chinese and British Governments officially signed a joint declaration on the Hong Kong question on 19 December 1984, declaring that China will resume the exercise of sovereignty over Hong Kong with effect from 1 July 1997 and that Britain will restore Hong Kong to China with effect from 1 July, 1997. The Sino-British Joint Declaration also stated that the current social and economic systems in Hong Kong will remain unchanged, and so will the lifestyle. China and Britain have since established a joint liaison group and some other mechanisms through which they have held consultations and discussions with each other on issues regarding effective implementation of the Joint Declaration and a smooth transfer of power.

In accordance with the principles and policies of the Chinese Government with regard to Hong Kong, which have already been enshrined in the Joint Declaration, China, after having conducted drafting work for four years and eight months and extensively solicited opinions of the broad masses of the Hong Kong people, promulgated on 4 April 1990 the "PRC Hong Kong Special Administrative Region [SAR] Basic Law."

Originally, the Basic Law drafting work was purely an internal affair of China. However, by taking into account the overall situation of maintaining prosperity and stability in Hong Kong and demonstrating sincerity in securing a smooth transition, the Chinese side also took into account some of the views of the British side during the period when the Basic Law was being drafted. The two sides exchanged seven diplomatic letters in early 1990, the most important of which was one in which both sides agreed to and committed themselves to such a principle that Hong Kong's constitutional development before 1997 should converge with the Basic Law. As a result, the two sides reached an understanding and an agreement on a basic blueprint for Hong Kong's 1995 election.

Over the past few years since the Sino-British Joint Declaration was signed, the overall situation has developed basically in the orientation of the "three conformities." As a result, China and Britain have maintained basically good relations. The Hong Kong people have put their minds at ease while Hong Kong society has remained stable and witnessed sustained economic growth year in and year out. The Hong Kong citizens have lived and worked in peace and contentment. The situation of Hong Kong is really encouraging, indeed. All

the countries in the world have also been optimistic about the future of Hong Kong and have increased their respective investment in Hong Kong. However, regrettably, since Hong Kong changed its governor in 1992, there has been turmoil in Hong Kong. Especially since last October when Chris Patten dished out and started promoting his so-called "constitutional reform package," a series of unnecessary political debates have broken out in Hong Kong, splitting society and causing anxiety among the citizens. In consequence, the stock market plummeted while the economy suffered losses. The reason is simple: The British side tried to change its policy towards Hong Kong and embark on an erroneous path that runs counter to the "three conformities" by means of Chris Patten's "constitutional reform package." It is the Chinese side's adherence to its principled position, as well as the growth in Hong Kong of forces in favor of the "three conformities" and against the "three violations," that have protected Hong Kong's smooth transition from being interfered with and undermined to a serious extent.

The positive experiences and negative lessons have made more and more people clearly understand that the "three conformities" are the only correct way of protecting Hong Kong's interests and future. The wellbeing of Hong Kong people and the interests of China and Britain lie in the "three conformities" only, not elsewhere. All policies, programs, and slogans should not be judged by their self-glorification or self-promotion, but by their social practice. If they are correct, people will support and approve them; otherwise, people will certainly criticize and oppose them. This is not a subjective criterion, but a scale for measuring both overall interests and the future of, as well as popular feeling in, Hong Kong.

#### **The Sino-British Talks Are Aimed at Restoring Mutual Trust, Not Discussing the So-Called "Constitutional Reform"**

After experiencing twists and turns, thanks to efforts made by all sides, the British side finally returned to the conference table. So far, China and Britain have held three rounds of talks. Though the talks' contents have been kept secret, the basis of the talks has been made public and clear and repeatedly stated in a number of joint communiques issued by both sides: to hold talks on issues pertaining to Hong Kong's 1994-95 electoral arrangements in accordance with the Sino-British Joint Declaration, the principle of convergence with the Basic Law, and all relevant understandings and agreements reached between China and Britain. The people of all walks of life have generally welcomed the talks because they hope that the talks will yield positive results within the orbit of the "three conformities, thereby restoring relations of consultation and cooperation between China and Britain, safeguarding Hong Kong's prosperity and stability, and ensuring a smooth transition in Hong Kong.

The trend of current events and will of the people have now become a powerful motive force propelling the

on-going Sino-British talks to a fruitful conclusion, as well as a basis on which people can be optimistic about the outcome of the talks.

Insofar as China and Britain are concerned, restoration of relations of mutual trust and cooperation conforms not only with the common interests of the two countries on the question of Hong Kong, but also with the extensive interests of the two countries and two peoples. However, the relations of cooperation can only be restored on the basis of the "three conformities." The on-going talks have undoubtedly provided the two sides with an important opportunity, thereby being of profound and far-reaching significance.

Insofar as the talks are concerned, both sides have already reached consensus on answers to such questions as what major issues are to be resolved and on what basis such major issues are to be resolved. The two sides have decided to discuss and resolve issues pertaining to Hong Kong's 1994-95 electoral arrangements in accordance with the "three conformities." The 1994 and 1995 elections are two related issues. The Sino-British Joint Declaration, the Basic Law, and all the relevant understandings and agreements reached between China and Britain have already charted a clear-cut orientation as well as a framework for Hong Kong's 1994-95 elections. Therefore, the on-going talks will only work on certain concrete details and technical issues in the orientation of the "three conformities" and within the framework of the "three conformities." As a rule, it will not be difficult to have all these issues resolved provided that the British side abandons its "three violations" package in term of specific arrangements while recognizing the "three conformities" principle in verbal and written forms.

Nevertheless, it is by no means easy to draw the British side back into the orbit of the "three conformities" and secure actual actions on the part of the British side in this connection. The British side has already gone back on its word and let Chris Patten dish out a political reform package of "three violations." Due to this reason, the on-going talks are aimed more at restoring mutual trust than at discussing certain technical aspects. The restoration of mutual trust is certainly an issue of greater importance to both sides. To restore mutual trust, it is all the more important to clarify all issues of principle. Should both sides remain ambiguous on issues of principle, they would leave a host of problems for the future. The result would be: superficially, all issues have been resolved. But in fact, factors capable of creating new problems in the future still exist. To restore mutual trust, the two sides should be sincere in implementing the "three conformities" principle to the letter and faithfully carry out any agreement coming out of the on-going talks. Neither side should refuse to abide by the agreement and go back on its word on whatever pretext.

The restoration of mutual trust should be first and foremost embodied in the agenda of the talks. As acknowledged by both sides, the on-going Sino-British talks are set to discuss and resolve only issues pertaining

to Hong Kong's 1994-95 electoral arrangements in accordance with the "three conformities" principle. Obviously, the on-going talks have nothing to do with the so called "constitutional reform," an issue not listed on the agenda. The notorious reform package dished out by Chris Patten should definitely not be placed on the conference table, nor should a revised "constitutional reform package" be placed in sight of the negotiators. The British side should not put forth any constitutional reform package for Hong Kong. Correspondingly, the Chinese side will not put forth any such package, either. There is a simple but serious reason behind this: Failure to do so would run counter to the Joint Declaration, the Basic Law, as well as all the relevant understandings and agreements reached between China and Britain and would only complicate the matter and make the on-going talks more time-consuming.

There is no denying the fact that there are still a lot of differences between China and Britain and that it takes time for the two sides to iron out those differences. However, so long as the two sides can act in good faith and keep their word, all the differences can be ironed out.

#### **Opposing All Sorts of Remarks and Behaviors Contrary to the "Three Conformities" Principle**

The Joint Declaration, the principle of convergence with the Basic Law, and all the relevant understandings and agreements reached between China and Britain are the common basis upon which China and Britain will cooperate on the question of Hong Kong and are an important road sign for safeguarding prosperity and stability and ensuring a smooth transition in Hong Kong. They are generally acceptable to Hong Kong citizens. Nonetheless, certain people with different purposes and motives have tried in every way to oppose and have exerted their utmost to attack and distort the "three conformities." Recently, all sorts of remarks and behaviors contradictory to the "three conformities" principle have emerged during the Sino-British talks. Such remarks and behaviors have caused anxiety, disgust, and opposition among the citizens of Hong Kong.

To sum up, these have mainly been the following three views:

1. Some people have advocated a "three-legged stool" formula, claiming that a three-legged stool is "safer" than a two-legged stool. They are trying to lay a basis on which the Legislative Council [Legco] can overthrow any Sino-British agreement.

On 7 May, Hong Kong Governor Chris Patten publicly stated in New York that a "three-legged stool" formula is a "better alternative" because a two-legged stool collapses easily. He claimed that "any agreement reached between China and Britain at the talks must be acceptable to both the two sovereign states and the people of Hong Kong." By so saying, according to a local commentator, Chris Patten was actually trying to promote the "three-legged stool" formula to the whole world and give

people the world over a wrong impression that Hong Kong is "an independent political entity." He is in effect trying to lay a basis on which the Legco can overthrow any agreement reached between China and Britain at the talks. Michael Sze Cho-cheung, Hong Kong Government secretary for constitutional affairs, has tacitly understood Chris Patten's remarks. When answering questions in the Legco, he said: Legco can use its constitutional power to pass, revise, or reject any agreement reached between China and Britain at the talks. According to this logic, the consultative institution under the British colonial government has the right to overthrow a diplomatic agreement reached between two sovereign states, China and Britain. The British Hong Kong Government not only wants to sit as equals at the same table with the two sovereign states, China and Britain, but also wants to place itself above the two sovereign states. May I ask: To which article of the Joint Declaration does the "three-legged stool" formula conform? What positive effect will the formula have on the on-going Sino-British talks?

2. They have seized upon the "through-train arrangement" and made an issue of it by raising one unreasonable demand after another.

Earlier, Chris Patten told BBC reporters that the "through-train arrangement" should be the bottom line of the British side at the talks. He also distorted the facts by saying: "Some Chinese do not like to be forced off the train in 1997." When he visited the United States in early May, Chris Patten again made similar remarks, even claiming that relevant articles of the Basic Law and provisions of the National People's Congress [NPC] are "purely subjective." He demanded that the Chinese side allow all Legco members elected in 1995 remain in their seats after 1997.

Obviously, his remarks have violated the Basic Law and his unreasonable demand encroached on China's sovereignty. Anyone who has read the Basic Law and relevant NPC decisions knows that the "through-train arrangement" is an issue regarding China's sovereignty and an arrangement made by China aimed at enshrining the principle of sovereignty and ensuring a smooth transition. The interpretation of the arrangement rests with no one else but the NPC Standing Committee. As regards who will be allowed to sit on the "through train," there are legal criteria for people to follow. Those who wish to sit on the "through train" have to be confirmed by the Hong Kong SAR Preparatory Committee, which will be established in 1996. Fifty percent of the committee members will be Hong Kong citizens. By asking the Chinese side to guarantee that the all the last British Hong Kong Legco members will automatically become the First Hong Kong SAR Legco members, the British side is in effect demanding that the Chinese side amend the Basic Law and relevant decisions adopted by the NPC and deprive the future Hong Kong SAR Preparatory Committee of its powers. The Chinese side will never accommodate itself to such an unreasonable and illegal demand. What regard will Mr. Chris Patten, who is portraying himself as a strong advocate of "rule of

law" and claiming to have read the Basic Law more than the Bible, pay to the Chinese sovereignty and law?

3. They have tried to internationalize the Hong Kong question by lobbying foreign forces to intervene in Hong Kong affairs.

During his visit to the United States, Chris Patten created a new noun, "international asset," and publicly called on the United States to show concern for such an "international asset" as Hong Kong and give support to his "constitutional reform package" or his "administrative principle." His remarks and behavior have evoked strong criticisms among the people of all walks of life in Hong Kong. Later on, Mrs. Thatcher "played down" the issue and interpreted Chris Patten's remarks by saying: Hong Kong is an international city. Hong Kong's trade and politics are also international. The Sino-British Joint Declaration itself is an international treaty. Therefore, Hong Kong is fundamentally international. Though she spoke so plausibly and at length, she was actually playing with words. Instead of "playing down" the issue, her remarks brought to light the very intention of internationalizing the Hong Kong politics.

It is true that Hong Kong is an international financial, trade, and shipping center and an economically developed city. However, an international city is on no account equal to internationalization. Hong Kong has never been and will never be able to become an international political center. The Joint Declaration stated in no uncertain terms that Hong Kong's status as a free port, a separate customs territory, an international financial center, and an international and regional aviation center will remain unchanged. The Joint Declaration offered no blueprint whatsoever on internationalizing Hong Kong and turning Hong Kong into an international political center. Therefore, both Chris Patten's blunt remarks and another person's remarks aimed at "playing down" the issue are contradictory to the spirit of the Joint Declaration.

The Hong Kong question will remain an issue between China and Britain before and up to 30 June, 1997 and will unquestionably become an internal affair of China after 1 July, 1997. The Chinese side will never allow any other foreign force to interfere with or intervene in Hong Kong's internal affairs. Any attempt to bring foreign forces into Hong Kong will be regarded as a dangerous behavior of playing with fire, for that will definitely undermine the prosperity and stability of Hong Kong and will thus be resisted and opposed by the broad masses of Hong Kong people.

In one word, all remarks and behaviors aimed at advocating the "three-legged stool" formula, complicating the Hong Kong question by making an issue of the "through-train arrangement," or "internationalizing" the Hong Kong question are contradictory to the "three conformities" principle, and will never work. They will only cast an artificial shadow over the on-going Sino-British talks.

All those who are truly concerned with the interests and future of Hong Kong should stand up to oppose such remarks and behaviors.

"Given a beautiful scenery, one should look farther ahead." It is hoped that the British side and the British Hong Kong Government will judge the hour and size up the situation by conscientiously honoring their commitments to the "three conformities" rather than looking for any other alternatives, this being the only responsible approach to the wellbeing of the Hong Kong people, the relations of cooperation between China and Britain, as well as the interests of Britain.

#### Commentary Warns of 3-Legged Stool 'Trick'

HK1206072993 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 12 Jun 93 p 1

["Commentary on Hong Kong" by A Bing (7093 3521): "Guard Against Replaying the Stock Trick of the 'Three-Legged Stool'"]

[Text] Now that the Chinese and British Governments' representatives are holding talks on arrangements for the 1994-95 elections, the people concerned who hope to see the success of the talks should work to cultivate a fine atmosphere for them. However, it is a matter for regret that Chris Patten and certain members of the British Hong Kong Legislative Council [Legco] supported by him are taking every opportunity to make remarks detrimental to the talks, and they have even taken some actions to make a "false start" in a bid to disrupt the progress of the talks. What they are doing cannot but arouse people's concern and vigilance.

Since the reopening of the Sino-British talks, Chris Patten and his followers have continued to play at double-dealing. On the one hand, they have pretended to be observing the principle of "three conformities" and making efforts to enable the Sino-British talks to "climb up to the mountaintop" (to reach agreement); on the other, they are stubbornly insisting on their "three-violations" stance, throwing obstacles in the path of the "mountain climbing" process from time to time during the talks. On 26 May, after the third round of Sino-British talks and before the opening of the fourth round, the British Hong Kong Legco hurriedly adopted the "Draft Ordinances on the Boundary and Election Commission." The Chinese side's spokesman reacted strongly to this, declaring that any unilateral actions taken by the British side regarding the arrangements for the 1994-95 elections not based on prior agreement concluded through Sino-British consultations will be void. In spite of this, however, a few days later, on 31 May, the Legco constitutional affairs group adopted a resolution on discussing the draft election bill fortnightly. As the fifth round of Sino-British talks will open very soon, the British side and some members of the British Hong Kong authorities have recently seized the opportunity to campaign for support, saying that any agreement reached between China and Britain on the

arrangements for the 1994-95 elections in Hong Kong will have to be submitted to the Legco for revision. All these little tricks have clearly shown that up to now the British Hong Kong authorities are still playing the same old trick of the "three-legged stool," in an attempt to push for their unpopular "constitutional reform package" by means of legislation in the manner of "tabling the package part by part." This maladroit trick can never deceive the public and is bound to fail.

It is known to all that the arrangements for the 1994-95 elections concern the smooth transfer of the Hong Kong government in 1997. These affairs, according to the Sino-British Joint Declaration, should be resolved through consultations between the Chinese and British sides. The "Ordinances" forced through by the British Hong Kong Legco on its own before any agreement is concluded through the Sino-British talks are obviously an obstacle thrown in the path of the Sino-British talks. The British Hong Kong Legco has absolutely no right to revise or veto any agreement reached between China and Britain as sovereign states. From a legal point of view, whatever ordinances or motions are adopted by the British Hong Kong Legco and whatever discussions are conducted within its constitutional affairs group will not be binding on the Sino-British talks.

Chris Patten should be quite clear that it is not possible that the Chinese Government will make any concession on matters of principle. No matter what new tactics and tricks Chris Patten plays, the Chinese side will never accept his "constitutional reform package" as a basis for the Sino-British talks, not to mention adopting this "package" by any agreement to be reached between the Chinese and British sides. It would be wise for Chris Patten to stop playing tricks and erecting new obstacles to the Sino-British talks, for otherwise he will be going counter to the popular will.

#### **Lu Ping on Talks, Preparatory Organ**

*HK1306055093 Hong Kong WEN WEI PO in Chinese  
13 Jun 93 p 14*

[By intern reporter Li Hsiao-ping (2621 4562 0393): "Lu Ping Urges British Side To Show Sincerity in Talks and Discloses That Work Is Being Done To Set Up Preliminary Work Organ of the Hong Kong Special Administrative Region Preparatory Committee"]

[Text] Beijing, 12 Jun (WEN WEI PO)—Lu Ping, director of the State Council Hong Kong and Macao Affairs Office, said here today that he hoped the fifth round of Sino-British talks, to be held next Monday [14 Jun], would make progress on the premise of sincerity displayed by both the Chinese and British sides. He believed that results would be scored as long as both sides had sincerity in the talks.

Lu Ping made the above statement while attending an inaugural ceremony today. He said: The Chinese side has always hoped that progress would be made in the talks and that every round of talks would bring some progress.

But to achieve this, both sides need to display sincerity. The Chinese Government is absolutely sincere. Recently, the Chinese side has adopted some measures conducive to the talks; for example, ratifying three franchise contracts, approving the land committee's land lease scheme, and agreeing to reopen the negotiations on the new airport project. All these are evidence of the Chinese side's sincerity. Therefore, it is hoped that the British side would also show sincerity. After all, results will be achieved only so long as both sides have sincerity in the talks, Lu said.

Talking about the resumption of meetings by the Sino-British Joint Liaison Group, Lu Ping said he hoped the Joint Liaison Group meeting will make progress too. The Chinese side stated long ago that the Sino-British Joint Liaison Group would meet again some day, as many outstanding problems have persisted too long, and it is hoped that these problems can be resolved soon, he noted.

Asked by a reporter whether he had just exchanged views with the British ambassador, Robin McLaren, who was also present at the same ceremony, Lu Ping said he had exchanged views with McLaren; he told McLaren that he hoped the fifth round of talks would bring some achievements, and McLaren agreed with him.

Meanwhile, McLaren stated here today that the British side is placing hope in the fifth round of talks and he hoped both sides would work hard so that progress would be made in the talks.

Lu Ping also told reporters here today that the establishment of a preliminary work organ for the Hong Kong Special Administrative Region [SAR] Preparatory Committee has been brewing, and it would not be surprising if this matter is listed in the agenda of the National People's Congress [NPC] Standing Committee meeting scheduled for late this month. This has nothing to do with the ongoing Sino-British talks.

Lu Ping said: Since the Eighth NPC already decided to authorize the NPC Standing Committee to set up a preliminary work organ for the Hong Kong SAR Preparatory Committee, the NPC Standing Committee will, of course, take up this issue when it meets, which is definitely a normal procedure. The NPC made the above decision last March, at which time the Sino-British talks had not been reopened. Since the decision was already adopted, of course one needs to take vigorous action to make preparations. Given this backdrop, this matter has nothing to do with the ongoing Sino-British talks. Lu Ping said the establishment of the preliminary work organ for the SAR Preparatory Committee has been brewing, and it is still not known whether this issue will be placed on the agenda of the forthcoming NPC Standing Committee meeting.

**Zhou Nan Urges UK 'Sincerity' in Talks**

OW1206125193 Beijing XINHUA in English 1227  
GMT 12 Jun 93

[Text] Hong Kong, June 12 (XINHUA)—China hopes Britain show real sincerity [passage as received] to bring more progress to the forthcoming fifth-round talks on the Hong Kong issue, a senior Chinese official said here Friday [11 June].

Zhou Nan, director of XINHUA NEWS AGENCY Hong Kong branch, said, "As the two countries had started the talks in line with the joint declaration, Basic Law and mutual understandings, we certainly hope the talks come to a success."

Thus both sides should, first of all, restore mutual trust and show real sincerity for the talks, Zhou said.

The Chinese side, he went on, had taken a series of positive actions when the talks started and demonstrated its sincerity for the talks and its concern to safeguard the interests of the Hong Kong people.

"We hope the British side should render the same sincerity and no longer play little tricks to interrupt the talks, for the tricks would by no means exert positive effect, but do harm to the interests of the local people and also to the basic and long-term interests of Britain," Zhou said.

He stated that the success of the forthcoming talks depends on real sincerity, if any, that the British side would offer during the talks.

As long as there is sincerity, Zhou continued, most difficulties might be overcome. But if there is no sincerity, any simple issues might become complicated, he added.

**Hopes for 'Success'**

HK1206082293 Hong Kong WEN WEI PO in Chinese  
12 Jun 93 p 2

[Report: "Zhou Nan Urges the British Side To Show Sincerity at the Forthcoming Fifth Round of Sino-British Talks]

[Text] Zhou Nan, director of the Hong Kong branch of the XINHUA news agency, said when viewing the forthcoming fifth round of Sino-British talks: I hope the British side can show sincerity so that the talks can make further progress.

Director Zhou Nan said: Now that China and Britain have begun to conduct talks in accordance with the principle of "three conformities," we certainly hope that the talks can achieve success. To achieve this goal, we must, in the first place, reestablish mutual trust. Regarding this, both sides are required to truly show sincerity toward the talks. At the initial stage of the talks, the Chinese side has unilaterally made a series of moves, including granting land through the Land Commission,

authorizing three franchises straddling 1997, resuming talks on the financial issue of the new airport, consenting to hold a formal Joint Liaison Group meeting by the end of this month, and so on. It shows, on the one hand, the Chinese Government's consistent stand on being concerned with and paying attention to the issue of Hong Kong people's livelihood and safeguarding Hong Kong people's immediate interests, and it also fully illustrates that we are very sincere toward the ongoing Sino-British talks. We hope that the British side can also show sincerity in the same way rather than playing little tricks and placing all sorts of obstacles before the talks again. Playing little tricks will not produce any positive results, but only infringe upon Hong Kong people's interests, and, in the end, it will also infringe upon Britain's fundamental and long-term interests.

Director Zhou Nan said: Whether or not the future several rounds of talks will achieve good results depends on whether or not the British side can truly show sincerity. As a Chinese idiom says: "No difficulty is insurmountable if one sets one's mind to it." With sincerity, problems which are even more difficult can also be easily solved. Without sincerity, even simple questions will also become complicated. We hope that the other party can treat the current talks in a truly statesman-like manner.

Director Zhou Nan made the above remarks when attending the opening ceremony of the "Bygone Days—Four Friends' Joint Photo Exhibition."

**UK Urged Not Play Any More 'Little Tricks'**

HK1206072693 Hong Kong WEN WEI PO in Chinese  
12 Jun 93 p 12

[By trainee reporter Li Hsiao-ping (2621 4562 0393): "Wang Qiren, Deputy Director of the Hong Kong and Macao Affairs Office, Urges the British Side Not To Play Any More Little Tricks"]

[Text] Beijing, 11 Jun (WEN WEI PO)—Wang Qiren, deputy director of the State Council Hong Kong and Macao Affairs Office, said once again here today that sincerity is the key to the solution of the Hong Kong issue between China and Britain. The Chinese side has always been sincere and we hope the British side will not cast China's sincerity to the winds. It would be a great mistake to regard this as weakness, and being easily bullied.

Wang Qiren made these remarks while meeting with a delegation of Hong Kong real estate executives in Beijing this afternoon. He said that the fifth round of Sino-British talks will be held next week, the Sino-British Joint Liaison Group will announce the resumption of its meetings, and the Airport Committee is making arrangements for the date of the next round of meetings following the one which just ended. The Chinese side has always entertained a sincere desire [as published], hoping to create a fine atmosphere. However, the British side has time and again spoken and acted in a manner

disadvantageous to the talks. Wang said that the key to the current problem lies in sincerity. The Chinese side has always been sincere, hoping that Hong Kong residents will have a better life after 1997, Hong Kong's long-term stability and prosperity will be maintained, and the British side will not cast China's sincerity to the winds and will no longer play little tricks. Otherwise, they will make a big mistake. History has proved that the Chinese people are never vague on matters of principle.

Wang Qiren reiterated: The Chinese sincerely hope that good results can be achieved from the Sino-British talks on 1994-95 elections as well as the airport talks. Both the Chinese and British sides should show sincerity, handle matters on the basis of the "three conformities," and proceed in all cases from the interests of the Hong Kong people. Wang said that the colonial history of Hong Kong over the past century or so is to end in 1997 and we are all witnesses of history. I hope that China and Britain will cooperate and hold themselves responsible to history, to the Hong Kong people, and to Hong Kong's future.

#### **Editorial Urges UK Remedy 'False Start'**

*HK1406103293 Hong Kong WEN WEI PO in Chinese  
12 Jun 93 p 2*

[Editorial: "The British Side Must Take Measures To Remedy Its False Start"]

[Text] People of all walks of life in Hong Kong hope to see the Sino-British talks on the arrangements for the 1994-95 elections proceed on the basis of "three conformities" and end with an agreement soon.

Over the past eight months or so, the British Hong Kong authorities have gone back on their commitments, assumed the "three violations" stance, and provoked confrontation. Hence, the British side has made a very bad impression on the world regarding its record of keeping faith. The ongoing Sino-British talks are a test for the British side, by which people will judge whether the British side will and can rebuild faith with its partner.

If the British side is willing to rebuild faith, it must first of all display sincerity in the ongoing talks. To be sure, the talks are a very difficult process, but, so long as the two sides have sincerity and work to cultivate a fine atmosphere, a solution can finally be found to any difficult problem. To ensure that progress will be made in the negotiations, the Chinese side has made many efforts and taken a series of actions, among which are the ratification of the land lease scheme by the land committee, the approval of the three contracts on franchises that will straddle 1997, the reopening of the talks on the new airport project, and the decision on resumption of meetings of the Joint Liaison Group. Logically speaking, the talks on the arrangements for the 1994-95 elections should be able to proceed smoothly as well if the British Hong Kong authorities made a goodwill response to the Chinese side's initiative. However, the British Hong

Kong authorities have gone in the opposite direction. After the third round of talks, they adopted the tactic of "interference from off the field," made a "false start" in tabling the Patten package, and propagated the view that the Legislative Council [Legco] is entitled to veto any outcome produced by the Sino-British talks. Their purpose in so doing is to deal with the Chinese side by "playing rough."

These technical fouls are detrimental to the establishment of mutual trust, to the smooth progress of the talks, and to the formulation of arrangements for the 1994-95 elections on the basis of "three conformities."

The three little tricks that the British Hong Kong authorities have been playing since late May are all aimed at the Sino-British talks. The constitutional reform package that Chris Patten put forth on 7 October last year contains seven major features, and the issue concerning the Boundary and Election Commission is one of them. Different forms of voting of course correspond to different definitions for boundaries of constituencies. For example, if the single-seat, single-vote system is adopted, 20 seats will certainly represent 20 constituencies. If the double-seat, double-vote system is adopted, 20 seats will then, of course, represent 10 constituencies. If the proportional representative system is adopted, some constituencies will cover a very large area. Now that the Legco has tabled the Patten package in a part-by-part manner on 26 May before the talks had produced any outcome, this is not a "technical arrangement" but a "foul" arrangement which is absolutely unfavorable to the talks. In saying that Legco's action has nothing to do with them, the British Hong Kong authorities were lying. The draft ordinances were put forth by the British Hong Kong authorities, and the legislative process can be controlled by them, while the Legco is merely a consultative body assisting the Hong Kong governor in legislation—no ordinances can go into effect without Chris Patten's endorsement. Therefore, if the British side is still sincere in the talks, it should instruct the British Hong Kong authorities to take measures to remedy their "false start."

That the constitutional affairs group of Legco suddenly decided to debate the Patten package after the third round of talks is by no means a coincidence. The British Hong Kong authorities said that the constitutional affairs group is entitled to discuss any issue. However, when it comes to a matter that concerns diplomatic commitments made by the United Kingdom, the Hong Kong governor and officials at the secretarial level can set forth guidelines to prevent Legco from interfering in ongoing diplomatic talks. Now just the opposite is the case, as both Chris Patten and members of the Executive Council support the constitutional affairs group in discussing the constitutional reform, and they all claim that the discussion will have no influence on the talks. The key apparently lies in the British Hong Kong authorities' instigation and support. If the British Hong Kong authorities are still sincere in the talks, they should clearly state their disfavor with the constitutional affairs

group's decision to discuss the constitutional system issue at a moment when the Sino-British talks are proceeding.

British Foreign Office Minister Alastair Goodlad's remark that "the agreement resulting from the Sino-British talks can be revised" has even greatly incited certain Legco members to confrontation. This is detrimental to the overall situation and may impair Britain's reputation for keeping faith. If Britain is really sincere in seeking a solution through negotiations, then as a remedial measure it should openly and formally clarify Goodlad's remark that "the agreement can be revised." It is a pity that up to yesterday, when speaking in Parliament, Douglas Hurd was insisting on the so-called principle of being "open, fair, and acceptable to the people of Hong Kong" put forth by Chris Patten, instead of the principle of "three conformities." This shows the British side's intention of playing the "three-legged stool" trick and instigating Legco to interfere in the negotiations.

The negotiations are a matter between the two countries China and Britain. Progress can be made only when both sides display sincerity. Those who play little tricks will come to no good end. Doing so cannot possibly bend China, but will make the situation more complicated, and the British side will have to take responsibility for the consequences arising therefrom.

#### Local People 'Condemning' British Acts

HK1406034693 Beijing XINHUA Hong Kong Service in Chinese 1230 GMT 12 Jun 93

[Text] Hong Kong, 12 Jun (XINHUA)—Hong Kong people in all walks of life continued to make comments in recent days, condemning the British Hong Kong authorities for "jumping the gun," which seriously disrupted the Sino-British talks.

The Association for Stabilizing Hong Kong expressed its opinion, saying that while China and Britain are holding talks on the arrangement of the 1994-95 elections in Hong Kong, the Legislative Council [Legco] passed the bill on the Regulations for the Boundary and Election Commission and the Legco Constitutional Group decided to discuss Patten's "constitutional reform package." This set a new obstacle to the Sino-British talks and did nothing good to the talks and to the local community. It just caused social division in Hong Kong.

Recently, the New Territories Federation of Social Organizations held a council meeting to discuss the recent deeds and words in the Legco. People attending the meeting pointed out that the recent behavior of the Legco was "jumping the gun" and made people doubt whether the British side had sincerity for the talks. The federation strongly demanded that the British Hong Kong authorities immediately stop all words and deeds disrupting and undermining the Sino-British talks and demanded that the British side show its sincerity for holding the talks according to the "three conformities" principle.

Five members of the Yau Ma Tei-Tsim Sha Tsui District Board raised a motion on 11 June, opposing the Hong Kong governor's decision on merging the Yau Ma Tei-Tsim Sha Tsui District Board and the Mongkok District Board. They pointed out that the merger was related to the "constitutional reform package" and was aimed at creating a fait accompli. They required the Hong Kong Government to follow the wishes of the people and rescind the relevant decision.

Many ordinary residents of Hong Kong also expressed discontent with the British Hong Kong authorities' manipulation of the Legco. Mr. Chau, a resident of Cheung Chau, said that the bill adopted by the Legco undoubtedly directly countered the Sino-British talks and would certainly sour the good atmosphere of the talks. Ms. Auyeung of Tsuen Wan said that the difficulties encountered by the Sino-British talks were mainly caused by the British side's lack of sincerity. Mr. Lee of Wong Tai Sin said that he absolutely disagreed with the Legco's recent behavior of creating disturbances, and most Hong Kong people just hoped that the Sino-British talks could continue in a benign atmosphere.

#### Hong Kong Adviser on Sino-British Talks

HK1406034293 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0943 GMT 12 Jun 93

[By reporter Yi Li (0122 0448)]

[Text] Hong Kong, 12 Jun (ZHONGGUO TONGXUN SHE)—The fifth round of the Sino-British talks on the arrangement of the 1994-95 elections in Hong Kong will soon be held. In an exclusive interview with ZHONGGUO TONGXUN SHE, Mr. Ngai Shiu-kit said that if the British side does not scrap the major parts of Patten's constitutional reform package, it is believed that the fifth round of the talks will encounter major difficulties.

Ngai Shiu-kit pointed out: The Chinese side has repeatedly indicated that the Sino-British talks would only deal with the arrangement of the 1994-95 elections, and this meant that Patten's package was unacceptable.

He said: The crucial part of Patten's constitutional package was the total change in the method of the functional constituency election and in the structure of the constituencies. This would actually result in increasing the seats determined by direct elections. The scheme totally changed the method of the functional constituency election and expanded the scope of the functional constituencies in an unprincipled way. At the same time, it also brought about a so-called through train issue.

Ngai Shiu-kit said that if members of the next Legislative Council [Legco] are returned according to Patten's package, it is certain that the Legco will not converge with that after 1997, and the smooth transition will also be affected.

Ngai Shiu-kit added: Whether the fifth round of the Sino-British talks will deal with the essential issues will depend on whether the British side still sticks to the crucial part of Patten's constitutional package. If the British side maintains it, the fifth round of the talks can hardly achieve any result.

Ngai Shiu-kit pointed out: The Chinese side has repeatedly declared that it will never make concessions on issues of principle and will not discuss the issue of the so-called constitutional reform. At present, while the Legco Constitutional Group began discussing the governor's constitutional package, the British Hong Kong authorities are causing unnecessary disturbances to the Sino-British talks. If this affects the Sino-British talks, this will not go along with the wishes and interests of Hong Kong people.

Mr. Ngai said: At present, Hong Kong people just hope that the Chinese and British Governments will cooperate and continue to carry out the Sino-British Joint Declaration, converge with the Basic Law, and implement the agreements and understandings that have been reached by the two sides, thus guaranteeing Hong Kong's overall social interests.

#### 5th Round of Talks With UK on Hong Kong Opens

OW1406045293 Beijing XINHUA in English 0429 GMT 14 Jun 93

[Text] Beijing, June 14 (XINHUA)—The government representatives of China and Britain started here this morning their fifth round of talks on the arrangements for the 1994/1995 election in Hong Kong.

Chinese Vice-Minister of Foreign Affairs Jiang Enzhu and British Ambassador to China Sir Robin McLaren represented their respective governments at the talks.

Prior to the talks, Jiang reaffirmed China's consistent position concerning the talks. Noting that both sides are working very hard, he said the Chinese side has the sincerity for the talks and has already adopted a series of positive steps and measures.

He expressed the belief that if the two sides share the same sincerity towards the talks and act in accordance with the principles that have been agreed upon by both sides, steady progress will be made in the talks.

The two sides have agreed that the talks should be based on the Sino-British joint declaration, the principle of convergence with the Basic Law for the Hong Kong Special Administrative Region and agreements and understandings reached between the two countries.

Since April 22 this year, the two sides have held four rounds of talks on Hong Kong.

#### Deadlock Expected

HK1406081493 Hong Kong MING PAO in Chinese 14 Jun 93 p 2

["Special dispatch" from Beijing by staff reporter Tu Fu-liang (2629 5395 5238): "British Side Insists the Seven Letters Between Foreign Ministers Have No Binding Force; Fifth Round of Sino-British Talks Is Expected To Be Deadlocked Again"]

[Excerpt] The fifth round of Sino-British talks on the 1994-95 Hong Kong election arrangements will be held in Beijing for three days as of today. On the eve of the resumption of the talks, a PRC source disclosed to this reporter that, at the new round of talks, the Chinese will continue to press the British to answer whether they are willing to abide by the seven diplomatic letters that were exchanged between the foreign ministers of China and Britain in early 1990. However, a British spokesman said to this reporter yesterday that the seven letters are no longer binding.

The PRC source said: At the fourth round of talks held at the end of last month, the Chinese proposed to the British that the seven letters on constitutional arrangements exchanged between the Chinese and British foreign ministers in early 1990, when the drafting of the Basic Law was nearly completed, should be regarded as an agreement, the contents of which should be observed by both sides. They also called on the British to abide by the constitutional arrangements on which a consensus had been reached in the correspondence; the British said they would reply in the fifth round of talks.

The source optimistically predicted that, if the British side is willing, substantial progress can be made at the talks and that an agreement is even likely to be reached before the Legislative Council goes into recess on 21 July.

However, in answer to this reporter's enquiry yesterday, Chris Osborne, spokesman for the British Foreign Office in Hong Kong, reaffirmed that the British side had not changed its view on the seven letters. He said: The seven letters were by no means an agreement. Except for the arrangements on which a consensus was reached, with the conclusion of the work of drafting the Basic Law, the bargaining work also came to an end.

Osborne also said: Even though the Chinese later agreed to some of the British demands, they should also be discussed all over again. Osborne's reply shows that the British side will not change its stand on the seven diplomatic letters. The new round of talks is likely to be deadlocked again.

The seven letters mainly involve four issues, i.e., the number of directly elected seats in the Legislative Council in 1995 and 1999, the proportion of foreign nationals and people with right of abode in foreign countries in the Legislative Council, arrangements for vote counting in different groups, and composition of

the Election Committee. Of these, a consensus has clearly been reached only on the first. With regard to the fourth issue still in dispute, the Chinese side holds there is already a consensus but the British side holds that, since the basic law failed to list the arrangements put forward by the British side, the "bargaining" came to an end.

A Chinese source told this reporter yesterday that when the British side submitted the seventh letter, Donald [tang na de 0781 4780 1795], the then British representative and former British ambassador to China, conveyed to the Chinese side British Foreign Secretary Douglas Hurd's remarks to PRC Foreign Minister Qian Qichen: "We thank you for your efforts on the issue of the Election Committee. There are no more obstacles to the Election Committee issue." The Chinese have placed this oral message on record and believe that the question now is whether the British are willing to abide by it. [passage omitted]

#### PRC Police Links Help 'Major' Crime Drop

HK1406050893 Hong Kong SOUTH CHINA  
MORNING POST in English 14 Jun 93 pp 1-2

[By Jimmy Leung]

[Text] Direct links between Hong Kong police and their mainland counterparts have been cited as a major contribution to new crime figures that show a 39 percent drop in armed robberies. Statistics obtained by the SOUTH CHINA MORNING POST show a 39 percent decrease in robberies and attempted raids using genuine firearms with 14 cases in the first five months of this year compared with 23 cases over the same period last year.

A noted decline was in goldsmith robberies which tumbled by 71 percent to eight cases, compared with 28 in the same period last year.

Cases where suspects opened fire also dropped by 60 percent from 34 cases to 13 this year. Firearms and hand grenades seized by police so far this year also went down by 11 percent (from 27 to 24 cases) and 86 percent (from 36 to five cases) respectively.

Detective Chief Superintendent Chan Tit-kin of the Organized Crime and Triad Group said his officers could now channel intelligence to their Chinese counterparts more quickly than had been possible before. "In addition to the normal communication channels through Beijing and Guangdong Interpol, we now have a quick and easy link with police in cities and counties in southern China," he said. "Such communication channels can cut a lot of the red tape and once we have found out that the wanted suspects are in China we just pick up a phone and tell our mainland counterparts."

Fight Crime Committee member Justein Wong Chun attributed the drop in serious street-level robberies to Sino-Hong Kong police cooperation, the return by China

of more suspects wanted in Hong Kong, stronger police presence on the streets and improved gold shop security.

Two mainland liaison officers have been posted in the territory since early this year. Mr Chan said many people had misconceptions about their role in Hong Kong, saying they were no different to police liaison officers from other countries such as the United States, Australia and Canada.

He said the officers, based at the Hong Kong branch office of the New China News Agency, provided better understanding between both sides. "It gives us easier communication and efficiency has improved. Their role is nothing more than being Chinese police liaison officers in Hong Kong," Mr Chan stressed.

China has so far this year returned 10 suspects wanted by Hong Kong police, while last year 15 were handed back.

Mr Chan said last week's prison sentences of up to 28 years for three men involved in last year's goldsmith robberies at the Chow Tai Fook shop in Queen's Road Central would be a good deterrent for potential mainland criminals. It was a sentiment backed by Mr Wong, who said judges were finally listening to the people of Hong Kong who were demanding tougher penalties for those involved in serious crime. "It was the maximum penalty a judge could possibly hand down. I have always thought it was a joke of having a jail term of seven or eight years for someone who used a gun to rob and opened fire at police," he said.

Mr Chan said China had also experienced some of the most daring raids committed by mainlanders and in some of the cases, police were killed. "This is an area of common concern and apparently China is also facing a similar crime problem.

"In addition, we are cooperating on other organized crimes such as drug trafficking, fake currency, commercial fraud, triad and vice activities," he said.

To help fight the triad menace, Mr Chan will represent Hong Kong in a series of conferences to be held in the territory and China this summer.

On arms smuggling, Mr Chan said most weapons came from Vietnam via the border in Guangxi province. The weapons are believed to be leftovers from the Sino-Vietnamese War in the 1970s. "It is very difficult to trace the source of these weapons although we have serial numbers. Not only are they old military-issue models but some of them were converted from parts obtained in Eastern Europe," he said.

Detective Superintendent Stephen Fung Kin-man of the Organized Crime and Triad Bureau—which comes under Mr Chan's office—said a Chinese or Russian-made pistol could be bought from \$500 to \$3,000 on the black market. For hand grenades, suspects arrested by police had said one could be obtained for between \$500 and \$2,500. "For the AK-47 assault rifles the black market price is about \$20,000," he said. Mr Fung said

the firearms had been smuggled in either by illegal immigrants or by someone travelling on board vessels across Deep Bay.

They rely on intelligence gathering, hopefully catching a gang and seizing the guns before they have a chance to stage a robbery. "Criminals are very clever and they do not normally conceal the guns at their homes. They are usually buried in remote hillsides.

"It is quite difficult to prove the guns seized were intended for a robbery unless we arrest someone near a gold shop which we did in Mongkok last January," he said.

Mr Wong suggested police use bounty money more often to gather information on arms smuggling from China. "More bounty money should be used appropriately to obtain information and intelligence about the flow of firearms. I was told by the police commissioner (Li Kwan-ha) that bounty money had not been used up although it had been budgeted every year," he said.

#### Shekou Security Ransom Investigation Begins

HK1306073593 Hong Kong SOUTH CHINA SUNDAY MORNING POST in English 13 Jun 93 pp 1-2

[By Gary Chan and Geoffrey Crothall in Beijing]

[Text] The Chinese Government has ordered an official investigation into the seizure of vessels, detention of crews and ransom demands made by the Shekou Public Security Bureau and revealed by the SUNDAY MORNING POST.

A Foreign Ministry spokesman in Beijing said the allegations, including one that Shekou PSB demanded a \$1 million ransom to release an 11-strong Hong Kong car exporting crew, two vessels and 20 vehicles seized a month ago, were being "handled" by the Ministry of Public Security (MPS), the central government body ultimately responsible for police work in China. Sources said it was believed Shenzhen PSB officials had gone to Shekou to question staff about the detention of the Hong Kong vessels and crew.

The news followed confirmation from China's Public Security vice-minister Jiang Xianjin that extortion among mainland police officers and authorities had reached epidemic levels. "Such actions have seriously tarnished the image of the public security authorities and damaged relations between the police and the masses," Mr Jiang said.

MPS officials in Beijing acknowledged the case reported by the SUNDAY MORNING POST of Shekou PSB detaining the Hong Kong crews from Wide Shine Terminal shipping agents and the Hop Chong Hong Motor Trading Company was being investigated, but despite persistent questioning he refused to specify which department was carrying out the investigation.

Shekou PSB arrested the 11 men near Chinese waters off Langau Island on May 15, and have detained them under guard for four weeks. The crews deny PSB allegations they were smuggling cars. They have not been charged.

One Beijing official said the case had been referred to the Guangdong provincial PSB but again refused to say if the investigation was being carried out by the provincial authorities.

Simou Lau, of Wide Shine Terminals, said his source in the Shenzhen Government had said the city's government and PSB have ordered an official to conduct an internal inquiry into allegations that Shekou PSB or border security demanded a huge ransom. "I was told that the internal inquiry into the Shekou PSB means our men will be detained for a longer period of time," Mr Lau said. He said his crew was initially scheduled to be freed last Monday, but that the internal inquiry delayed their release.

Mr Lau said the Shekou PSB told him a report of the case had been submitted to the Shenzhen Party Committee last Saturday, suggesting investigations concerning the crew had been completed. "The more parties are involved in the case, the more troublesome it will be," he said.

"What I want to stress is that I have not paid a penny while negotiating with the Shenzhen authorities. The crew are chiefly our men, and the motor company should not say anything irresponsibly about paying ransom and getting the men released.

"We (the Shenzhen authorities and the shipping agent) have never talked about money."

Mr Lau said he went up to Shekou last week to comfort the crew, as they had become more anxious about the outcome when nobody from the Shekou PSB or Shenzhen Government bothered to brief them on the latest progress. He said the crew looked all right and were not questioned again despite the internal inquiry.

A Hop Chong spokesman said: "We just want to know whether it's good news or bad news. We fear that if the Shekou PSB are ordered to report to their superiors they might need to find faults with the crew and charge them in order to justify their arrest and seizure. In that case, it's going to take months before the crew are freed. So the MPS' follow-up doesn't sound good for us."

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